

## MODERN INDUSTRY BOOKS

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*Standard Business Conference Technique*—CARL HEVEL  
*How To Reduce Distribution Costs*—RICHARD D. CRISP  
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# YOUR PUBLIC RELATIONS

THE STANDARD

PUBLIC RELATIONS

HANDBOOK



■ EDITED BY

**Glenn Griswold  
and  
Denny Griswold**

■ PUBLISHED BY

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*Designed by Marshall Lee*

## PREFACE

**T**

HIS VOLUME HAS BEEN written and edited as a handbook; a practical working manual for management executives, public relations directors and counsel, career aspirants, teachers and students, and all those interested in fitting themselves into the modern pattern of human relationships.

It will give the executive a working knowledge of public relations which today is essential to the success of every businessman. Public relations directors and counsel will find it an invaluable clearing-house of information as to policies and procedures used in the solution of a wide variety of public relations problems. Career aspirants, teachers, and students will find it useful as a textbook.

This volume presents the best thinking and methods of more recognized authorities than have ever before discussed public relations within the covers of a single book. Many of the subjects here covered have never been treated in any book on public relations.

*Your Public Relations—The Standard Public Relations Handbook* contains thirty-three chapters, each written by a nationally recognized authority whose experience particularly equips him to discuss the subject assigned. Many of these chapters are based on long research by staffs of technicians and are textbooks within themselves. An Editors' Note is appended to each chapter. These are intended primarily to tie the whole work together in a common purpose and in many cases to add brief case histories gathered from fields other than that in which the author is engaged.

The usefulness of this volume is owing largely to the contributing authors. But it is owing also, in large measure, to the cooperation and counsel of a long list of organizations and individuals devoted to the promotion of the best interests of public relations. Among them are

the leaders in Public Relations Society of America, American Public Relations Association, Association of National Advertisers, American Association of Advertising Agencies and The Advertising Council.

The editors are also indebted to the members of the Advisory Board of *Public Relations News*. They are Charles C. Carr, Public Relations Director, Aluminum Company of America; W. Emerson Reck, Public Relations Director, Colgate University; John Hill, President, Hill & Knowlton; Howard Bonham, Vice President, American National Red Cross; and Verne Burnett, Public Relations Counsel.

These acknowledgments would not be complete without expressing appreciation for the research contributed by Kalman B. Druck, Vice President, Carl Byoir & Associates, Inc. Special appreciation is owing also to the staff of *Public Relations News* under the supervision of Hedwig Browde, Editorial Director.

GLENN GRISWOLD  
DENNY GRISWOLD

New York City

## ABOUT THE AUTHORS



### THE FOLLOWING BRIEF OUT-

lines of the careers of the editors and contributing authors of *Your Public Relations—The Standard Public Relations Handbook* contains the names of thirty-four of the outstanding experts in the field today. They bring to this volume a wide variety of experience and a high degree of authority. Each has achieved national recognition of accomplishment in the area of public relations which he discusses in this book.

### THE EDITORS

GLENN GRISWOLD, Publisher and Co-editor of *Public Relations News*. He was for many years public relations consultant to leading industrial corporations and trade associations. He is also one of the outstanding business editors of the country. He was editor and publisher of *Business Week*, vice president of McGraw-Hill Publishing Company, founder and editor of *Chicago Journal of Commerce* and consulting editor of *Modern Industry*. He has written and lectured extensively on the subject of public relations. In 1948 he received from Boston University, one of the first doctorates ever conferred for accomplishment in public relations.

DENNY GRISWOLD, Co-editor of *Public Relations News*. She has had many years of experience with such advertising and public relations consulting firms as Glenn Griswold Associates, Edward L. Bernays, Benjamin Sonnenberg, and J. Walter Thompson Company. Her editorial background includes association with *Forbes Magazine*, *Business Week*, Condé Nast Publications, and newspaper work. She is a frequent speaker before business, educational and professional groups. In 1946, organized

and for two years was chairman of the Committee on Women in Public Relations.

### CONTRIBUTING AUTHORS

**HARRY A. BULLIS**, Chairman of the Board of General Mills, Inc. He has for many years given leadership to the development of awareness on the part of business management of the importance of public relations as a basic policy-making function. He has believed and convinced other executives that public relations is good business and that it deserves a position in management thinking alongside production, distribution and finance. His qualification as an authority on the importance of public relations is dramatized by the long history of General Mills in setting new patterns and discovering new procedures for making public relations an integral part of a corporation's daily contact with its employees, its customers, its neighbors and finally with the public as a whole.

**J. T. LEWIS, Jr.**, President, Lewis Welding & Engineering Corporation. With a small plant in Bedford, Ohio, employing 261 workers, Mr. Lewis has successfully demonstrated that small business has much the same public relations problems as big business and that the principles and procedures of the two are almost identical.

**PENDLETON DUDLEY**, President of Dudley, Anderson & Yutzy, Public Relations Counsel. Mr. Dudley is one of the pioneer public relations consultants. He established his firm in 1910 and since that time has guided the public relations of a wide variety of industrial corporations and trade associations, with special emphasis on the food field. He is a past president of the National Association of Public Relations Counsel, Inc.

**CONGER REYNOLDS**, Public Relations Director, Standard Oil Company (Indiana). After working several years as a newspaper reporter and editor, he returned to his alma mater, the University of Iowa, to found its School of Journalism. Several years in the consular service preceded his affiliation with Standard Oil. His appraisal of the values involved in the establishment and maintenance of a public relations department is based on a wider use of public opinion surveys and efficiency studies than will be found in almost any public relations department in the country.

**JOHN WILEY HILL**, President of Hill & Knowlton, Inc. Originally a well-known financial editor, he instituted the monthly business bulletin

of the Cleveland Trust Company. He became a public relations consultant in 1927 and in 1933 organized his present firm. Since that time he has counseled the public relations activities of a long list of nationally recognized industrial corporations and trade associations.

MARVIN MURPHY, Vice President, N. W. Ayer & Son. Under Mr. Murphy's leadership this was one of the first advertising agencies to organize a public relations consulting department on a professional basis. He did much to set the pattern by which advertising agencies today are operating their public relations departments.

HOLCOMBE PARKES, Vice President in charge of Public Relations of National Association of Manufacturers began handling the public relations of trade associations in 1921. As assistant editor of *Railway Age* he then became adviser to the Western Railways' Committee on Public Relations. While later affiliated with the Norfolk & Western Railway he was loaned to the Association of American Railroads to advise on the development of a new public relations program. He has been engaged in public relations work for associations, either as a consultant or as an elected officer for twenty-seven years.

KIRK EARNSHAW, Industrial Relations Editor, *Modern Industry Magazine*. Mr. Earnshaw was widely known for his writings in the field of labor relations while a member of the editorial staffs of Chicago newspapers. During the war he became a foremost authority on the subject and acted as consultant to several wartime agencies. His treatment of labor-management problems in the columns of *Modern Industry* has been the basis for the application of sound public relations procedures to industrial relations.

JAMES W. IRWIN, former assistant to the president and public relations member of the Policy Committee of Ford Motor Company. Mr. Irwin is one of the creators and was first director of The Dayton Plan of community and employee relations originated in the Dayton Divisions of General Motors Corporation. As a policy officer of Monsanto Chemical Company, he, with Edgar M. Queeny, inaugurated the programs in industrial, public and employee relations and advertising which have given the company a reputation as one of the foremost users of modern and scientific public relations methods. Now a counselor, Mr. Irwin serves a number of leading corporations and industry groups.

LEW HAHN, President, National Retail Dry Goods Association. He not only devised and directed a broad public relations program for the Association, but has had much to do with guiding the customer rela-

tions of the 7,000 member stores. He has fought tenaciously for improved merchandising ethics as the basis of sound public relations throughout the retail field. He is a voluminous writer and persuasive lecturer on the subject.

W. HOWARD CHASE, Director of Public Relations, General Foods Corporation. A former newspaperman, Mr. Chase became a leader in public relations with his appointment in 1941 as director of public services for General Mills. He was assistant to the president of American Retail Federation. In 1946 he became chairman of a joint committee of the Association of National Advertisers and the American Association of Advertising Agencies which organized a national program to improve public understanding of our economic system. This program was subsequently sponsored by The Advertising Council.

DR. CLAUDE E. ROBINSON, President of Opinion Research Corporation. Probably no man in America has done as much as Dr. Robinson to dramatize the fact that public attitudes can be scientifically measured and that appraising public opinion is the first step in public relations. His *Public Opinion Index For Industry* provides exhaustive public attitude studies for the guidance of many of our big industrial corporations.

SAMUEL A. BOYER, Assistant Vice President, the New Haven Railroad. Few public relations executives have done as well at telling the story of industry through the school systems as Mr. Boyer, and certainly few enjoy as high a degree of cooperation and confidence on the part of educators. He undoubtedly has a native talent for the work, but he also has the good judgment to surround himself with professional educators with a basic understanding of public relations. His work has set patterns for many corporations and trade associations in their approach to economic education through the schools.

J. M. MCKIBBIN, Director of Advertising and Sales Promotion, Westinghouse Electric Corporation. During much of his twenty-five-year association with Westinghouse, Mr. McKibbin has had to deal with the dealers and distributors of this far-flung corporation. He is known throughout industry as an idea man. His ideas have established precedents which have been accepted by a wide variety of manufacturing enterprises throughout the country.

MABEL G. FLANLEY, Partner, Flanley and Woodward, Public Relations Counsel. The firm, specializing in "The Woman's Angle," serves corporations in widely divergent fields.

VERNE BURNETT, Public Relations Consultant. Achieved national recognition in public relations shortly after leaving General Motors to organize the public relations department of General Foods Corporation. Two years later he became vice president of the company in charge of public relations. Author of the book, *You and Your Public*, he counsels corporations, trade associations, educational and charitable institutions. By his own experimentation and leadership he has developed and refined many of the public relations tools and procedures now in common use.

Jos. W. HICKS, President, The Jos. W. Hicks Organization, public relations and industrial relations counsel. A former newspaperman and member of the faculty of the Medill School of Journalism, he was for many years a public relations executive with Standard Gas & Electric Company, one of the nation's largest public utilities systems. His techniques for using publicity as a tool of public relations have brought national prominence to many corporations and associations he represents, including some that are completely local in their operation.

L. E. JUDD, Public Relations Director, Goodyear Tire & Rubber Company. For twenty years Mr. Judd was a leading journalist in Ohio where he advanced from cub reporter to the editorship of leading daily newspapers. At Goodyear he has been noted for the effectiveness of his press relations and for the awareness of their importance which he has instilled into the mind of every executive in Goodyear ranks. He has been writing and speaking on the subject of sound press relations for many years.

LOUIS B. SELTZER, Editor, *Cleveland Press*. He was among the first of the important newspaper editors of the country to recognize public relations as an integral part of social and economic life and as a service to a newspaper and its readers. He is a founder of the American Press Institute which holds its seminars at Columbia University for the study of the principles and procedures of publishing and public relations.

CHARLES C. CARR, Director of Public Relations of Aluminum Company of America. A former newspaper reporter, editor and publisher, and since 1934 in charge of all public relations for Alcoa, Mr. Carr was among the first to guide the public relations of a big corporation to a community level and to teach local management how to handle press relations effectively.

CHARLES C. MERCER, until recently Executive Director of the International Council of Industrial Editors. As former head of the company

publications department of National Association of Manufacturers he gave guidance to the association's 16,000 members in establishing and perfecting their company publications. As executive director of ICIE he made the first scientific surveys in the field and gave leadership to the standardization of practice and the elevation of editorial objectives which made the company publication one of the most effective public relations tools in the hands of business. Mr. Mercer is now an executive of Fred Rudge, Inc., New York.

MORRIS M. LEE, JR., Partner of Selvage & Lee. As director of public information of National Association of Manufacturers, and assistant to the president of Carrier Corporation, he was widely recognized for his expertness in dramatizing the story of industry to the public.

JOHN M. SHAW, Assistant Vice President, American Telephone & Telegraph Co. While Mr. Shaw has had a wide variety of responsibility including advertising, publicity, public attitude measurement, community relations and employee information and training, he has pioneered in the use of audio-visuals. The Bell System Companies have made wide and scientific use of these tools.

THOMAS H. YOUNG, Director of Advertising of United States Rubber Company. Mr. Young was among the earliest of the corporate executives to set up specific programs for using radio in public relations. Once more he is pioneering, in the development of television as a public relations tool. A few months after he joined U. S. Rubber in 1916, he gained recognition for the use of scientific research and statistical studies as a background in management planning. It was out of those studies that the efficiency of mass communication for the company's public relations was determined. U. S. Rubber has led the country in the use of radio and television for the creation of national attitudes ever since.

HERMAN W. STEINKRAUS, President and Chairman of the Board, Bridgeport Brass Corp. Bridgeport Brass, one of the largest employers in Connecticut, has an 81-year record of being strike-free. In the later years of that period, Mr. Steinkraus was setting new patterns in the use of national as well as local media of communication in telling the story of his company to the whole public. Not the least effective of these has been the use of paid advertising to tell the story of human relations.

F. A. DENZ, Suggestion System Administrator, Remington Rand, Inc. Mr. Denz founded the National Association of Suggestion Systems and

has been recognized as a national authority on the use of this tool of public relations. He has written and lectured on the subject and is responsible for many of the modern devices for making the system an integral part of labor-management relations.

J. CARLISLE MACDONALD, Assistant to the Chairman, United States Steel Corporation. Following a distinguished newspaper career during and after the First World War, Mr. MacDonald became public relations counsel to Guggenheim Brothers. In 1936 he joined U. S. Steel and has been in charge of their public relations operations since that time. It is probable that the corporation has had wider and more varied experience with the open house and devoted more scientific study to the improvement of its techniques than any other corporation in the country.

GEORGE FREYERMUTH, Public Relations Director, Standard Oil Company (N.J.). Under the direction of Mr. Freyermuth this company has produced printed documents for teaching public relations and implementing its programs that have attracted national attention and won wide emulation. Probably no corporation in America makes wider use of printed material or spends more time and money in the application of scientific methods to the preparation of it.

CLARENCE R. DUGAN, Public Relations Manager, New York Central System. He speaks out of long experience with his company which was among the first of the great corporations to discover that every man on a payroll can be a public relations ambassador. New York Central gives systematic training in public relations to every employee from top executive to trackwalker.

HOWARD BONHAM, Vice President, American National Red Cross. As the directing public relations executive for the civic organization having the largest membership in the world, Mr. Bonham has counseled not only the programs of the national organization but has guided thousands of campaigns in large and small communities throughout the country. His acquaintance with the tools and techniques are first-hand and his procedures have been adapted to the needs of a wide variety of membership groups throughout the nation.

JOHN PRICE JONES, President, The John Price Jones Corporation. Organized his firm in 1919. Since that time his organization has assisted more than 300 philanthropic campaigns in raising \$600,000,000. He has written extensively on the subject and is the editor of *The Yearbook of Philanthropy*.

ERNEST DE LA OSSA, Personnel Director, National Broadcasting Company. Gained national recognition through his work for R. H. Macy & Co. in industrial relations and research. Since 1942 when he joined NBC, he has been setting patterns in human relations which have been adopted widely throughout industry.

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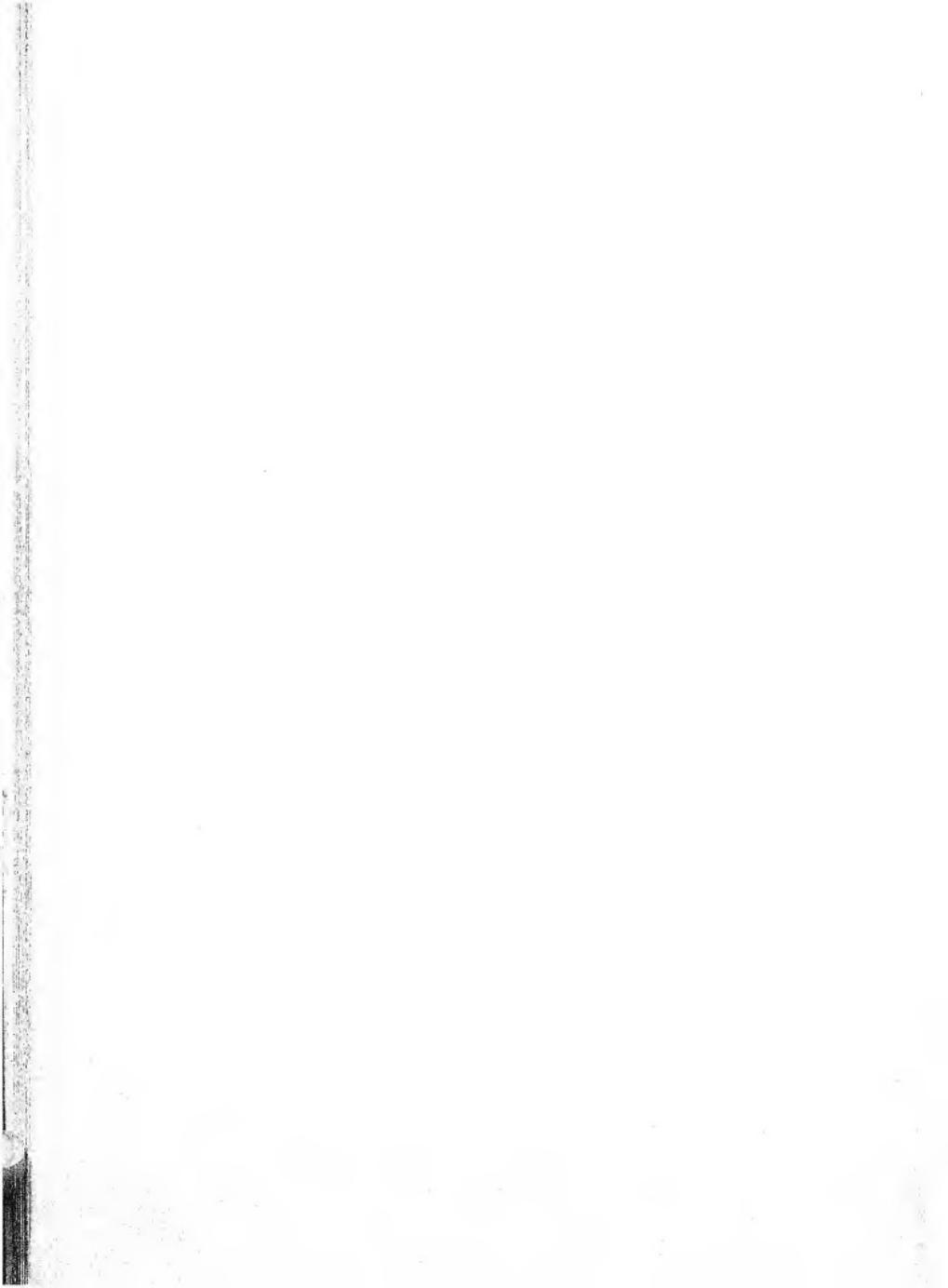
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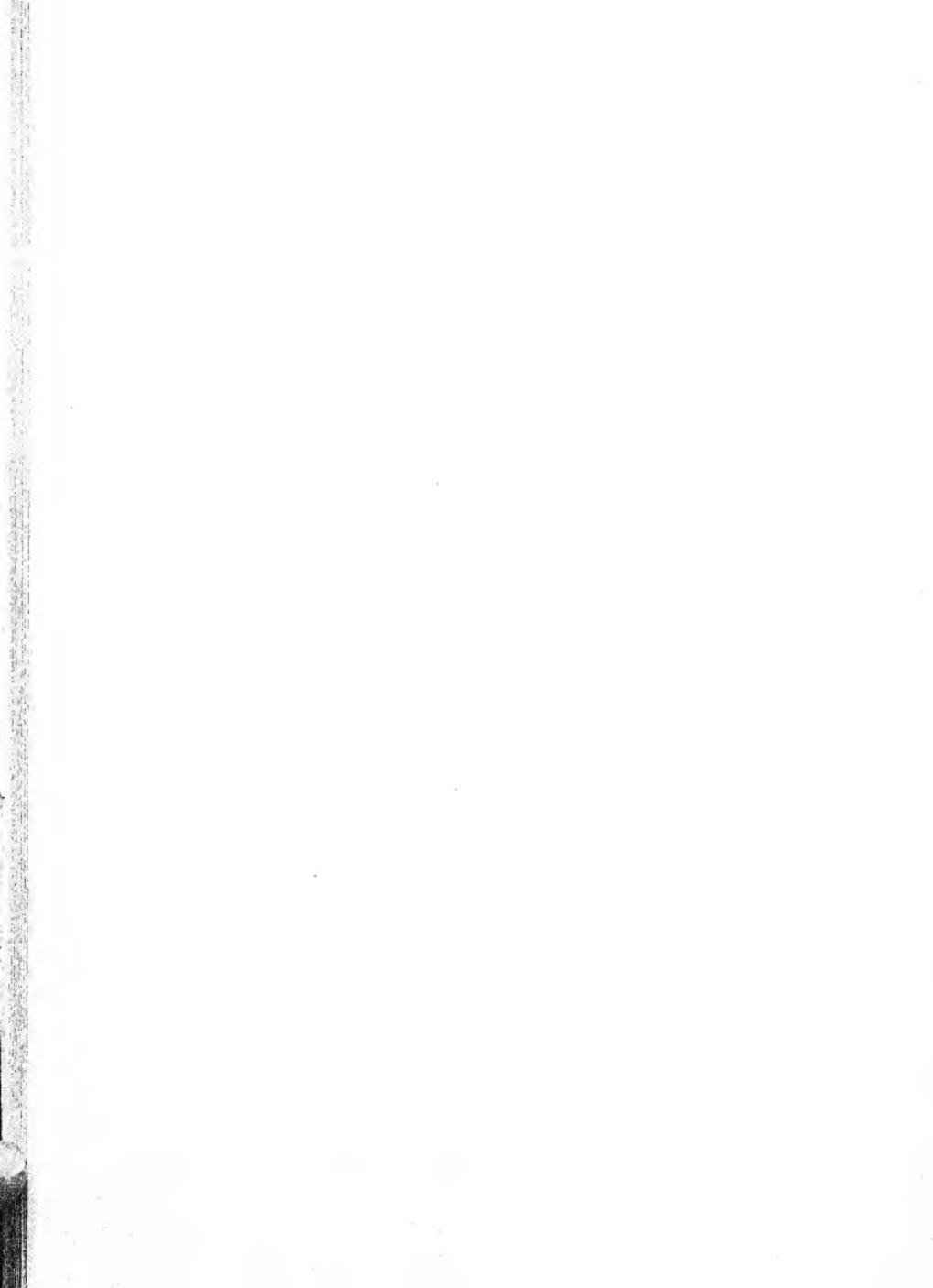
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*Part I*

PUBLIC RELATIONS—  
A MANAGEMENT  
FUNCTION FOR ALL  
ORGANIZATIONS,  
LARGE AND SMALL



# PUBLIC RELATIONS —ITS RESPONSI- BILITIES AND POTENTIALITIES

BY GLENN GRISWOLD  
AND DENNY GRISWOLD  
*Co-Editors, Public Relations News*



**P**UBLIC RELATIONS IS THE newest function of management and rapidly coming to be the most important. Like all organized activities in the service of the public, it has developed in three stages of progress. The first was the groping for procedures when the need was recognized. The second was a long period of trial and error experimentation aimed at solving recognized and fairly well-defined problems. The third is the discovery and perfection of methods and procedures for obtaining the results sought. Public relations today is emerging out of the second and into the third phase of these stages of development.

## Defining the Term

This then would seem to be a fitting time to undertake a definition of public relations in the hope that it can be widely accepted and will

contribute something to the dissipation of widespread confusion and disagreement as to what is public relations and what are its appropriate and profitable methods and procedures.

The extent of this confusion and perhaps even the danger of it, is illustrated by a recent survey in which 2,000 of the leading public relations executives and practitioners of the country submitted their definition of public relations. A wide variety of concepts was revealed by replies which characterized public relations as a science, a system, an art, a process, a function, a relationship, a humanizing genius, a term, a business, a profession, a method, an activity, a program, a pattern of behavior, a moral force, a combination of media, et cetera.

A committee of nationally known public relations experts chose the following as the best three of the definitions submitted. They are arranged in the order of preference.

1. "Public relations is the continuing process by which management endeavors to obtain the goodwill and understanding of its customers, its employees and the public at large; inwardly through self-analysis and correction, outwardly through all means of expression." (By J. C. Seidel, Public Relations Director, Division of Housing, State of New York.)

✓2. "Public relations is the continued process of keying policies, services and actions to the best interests of those individuals and groups whose confidence and goodwill an individual or institution covets; and secondly, it is the interpretation of these policies, services and actions to assure complete understanding and appreciation." (By W. Emerson Reck, Public Relations Director, Colgate University.)

3. "Public relations is the art of bringing about better public understanding which breeds greater public confidence for any individual or organization." (By Howard Bonham, Vice Chairman, American National Red Cross.)

#### Definition by the Editors

Out of all of these definitions and out of our experience in the field, we have distilled the following as our concept of a definition broad enough to cover the whole function and concise enough to guide any plan or program:

"Public relations is the management function which evaluates public attitudes, identifies the policies and procedures of an individual or organization with the public interest, and executes a program of action to earn public understanding and acceptance."

The full significance of public relations can best be understood and used as a guide in future planning if we set up the history and develop-

The receipts of the Treasury, during the year past, the day of  
 have exceeded the sum of — millions of Dollars, which will — millions in the  
 treasury at the beginning of the year, have enabled us after meeting the current de-  
 mands to pay — millions of the principal of our million of interest. These  
 payments with those of the preceding 3 or 4 years have extinguished of the funded  
 debt — millions of Dollars which can be paid or discharged without  
 the limits of the law & our contracts, and have left in the treasury —  
 millions of Dollars. This sum may be considered as a commencement of acci-  
 -mulus of the surplus of revenue, which after paying the installments of debt  
 as they shall become payable, will remain without any specific object.  
 a great indeed may be advantageously applied towards providing defense for  
 the exposed points of our country, on such a scale as shall be adapted to  
 our principles & circumstances. This object is doubtless among the first  
 which demands attention in such a state of our finances. If it is one which,  
 whether we have peace or war, will give a sense of security always consider-  
 able, what will remain of this, with the future surplus, may be usefully  
 applied to purposes already authorized, or more usefully to others requiring new ac-  
 -tivities, or for otherwise they shall be disposed of, are questions calling for early de-  
 cision from Congress, until indeed they shall be superseded by a change in those our  
 public relations, or awaiting determined  
 it is a great consolation that it will happen at a moment when the supreme council  
 of the nation is affably pledged its post, and ready to give the acts of its  
 wisdom & authority to whatever course the good of our country etc.,  
 then call us to pursue.

Some matters of minor importance will be the subjects of future  
 communications, & nothing shall be wanting in my power which may  
 give information or dispatch to the proceedings of the Legislature, in the  
 exercise of their high duties, at a moment so important to the public  
 welfare.

FIGURE 1.—EXCERPT FROM THOMAS JEFFERSON'S SEVENTH ADDRESS TO THE CONGRESS, OCTOBER 27, 1807, CONTAINING THE TERM "PUBLIC RELATIONS," IN THE TENTH LINE FROM THE BOTTOM.

ment of the function as a background. In exploring this record, it is well for all of us to keep in mind that the economic and social implications of public relations are inextricably interwoven, and must always be so. There can be no sound public relations for any economic unit without constant and perhaps first attention to its social impact.

#### Historical Background

There is no documentation to mark precisely the beginning of public relations as an organized activity. But there is logic on the side of those historians who contend that it began with the development of the ancient guilds in Europe. Guilds were the first organized business groups

on any substantial scale and it was probably they who first spoke for business as a unit. They set about convincing the public of the value of their craftsmanship and the merit of their goods. They invented hallmarks to emphasize quality and reputation. They staged what may have been the first public relations campaigns in behalf of business to legalize special privileges and monopolies. They succeeded so well that many of the hallmarks which characterized their public service continue even today.

Inevitable abuses developed and for some time *caveat emptor* was the measure of public relations in business. Business chicanery reached its height during the Middle Ages.

In the latter part of this era and particularly in the early days of the Renaissance, regard for public attitude and for the buyer's desires again became a part of business usage. This was largely owing to an accident of history rather than to deliberate planning. The world was entering upon a period of expansion and prosperity. The development of world trade brought a new standard of living and an unaccustomed level of comfort and luxury that were automatically credited to business.

#### Where Modern Public Relations Problemis Began

This too was the beginning of an era of the abuse of individual rights which really sowed the seeds of distrust of business some of which persist to this day. It was during the seventeenth and eighteenth centuries that there developed the notion that business could do no wrong so long as it contributed to the prosperity of the nation and the private treasury of the Crown.

These attitudes carried over into colonial America. They characterized the policies of business and to a large extent the thought habits of the public until we were well into the 20th century.

In the early days of the mass production era, workers were looked upon as chattels and the public was considered a private hunting ground for business exploitation. Vast technological progress was accomplished with little or no organized thought for the public interest involved. It was in those days that the cleavage between business and the public which vexes us so sorely today, really had its modern beginnings.

Those attitudes and practices resulted in the almost universal characterization of business leaders as ogres and slave-drivers, and developed a public attitude which seemed to threaten the very existence of organized big business. Industrialists were frightened. Out of that fright came the first manifestation of public relations as an organized part of business planning and thinking.

Unfortunately, in its early days, public relations was looked upon as a fumigating process. Business was concerned almost exclusively with favorable publicity, whether or not its acts and policies merited public favor.

### Professional Public Relations Is Born

Ivy Lee is generally credited with being the first public relations counsel in the true sense of the term. But he began his career as a publicist. He opened his first publicity office in 1903. He undertook what was probably the first industry-wide job in 1906 when he became press representative of the anthracite coal operators and of the Pennsylvania Railroad. It was not until 1916 that he opened an office in New York as a public relations consultant.

Ivy Lee did much for public relations, but he made two basic contributions. One was that he discovered the importance of humanizing business and bringing its public relations down to the community level of employees, customers and neighbors. The other was that, even as a publicity agent, he dealt only with top executives and carried out no program unless it had the active support and personal participation of top management.

In the first two decades of the 20th century public relations made rapid and substantial progress until the grandiose plots of scheming or ill-advised industrial leaders carried it into the path of *manipulating* public opinion instead of *earning* good repute.

One of the most serious blows public relations ever had was the exposure of the Insull scheme to subsidize educators and force specious industrial propaganda into our school systems. Another outstanding failure was the collapse of extravagant public benefit schemes grounded almost exclusively on paternalism. The two conspicuous examples of well-intentioned but paternalistic programs which collapsed were those of Kohler and Hershey. In each of the two latter cases, business contributed millions towards public benefits in their communities, but in effect regimented the workers and dictated patterns of their private lives. Both have since adopted more enlightened public relations procedures.

### Three Schools of Thinking

During this era the public relations of business fell generally into three patterns: the paternalistic school; the group which gave only lip service to the idea; and another which adhered to the fumigation philosophy. There was however a small but far-seeing segment of

management which already was practicing public relations under much the same philosophy that governs sound operations today. Organizations, such as American Telephone & Telegraph under the leadership of Arthur Page, were giving first attention to the company's relations with its employees, its customers, and its neighbors and setting patterns that are in common use today.

### Early Leaders in the Field

From the First World War and the period of adjustment which followed came many public relations techniques that are still effective today. From that period also came some of the most effective elements of leadership. In addition to Ivy Lee and Arthur Page, George Creel and Edward L. Bernays made their substantial and lasting contributions to public relations.

George Creel will be remembered as the publicity agent of the government and the Wilson administration. But he did conspicuously put public relations thinking and planning at the policy-making level of government for the first time. His contribution did much to impel industrial leaders to recognize that an informed and positive public opinion was essential to the success of any organized activity.

The position of Edward L. Bernays in the history of public relations is more debatable and more often debated than that of any other man. He must be recognized as one of the founders and leaders. Perhaps as much as Ivy Lee it was Bernays who taught business management that public relations belongs at the policy-making level. He gave the field recognition, professional status, and documentation in a day when few leaders commanded respect and attention.

Controversy over the Bernays contribution arises out of the question whether his acknowledged service was not largely counterbalanced by an aura of mystery which he threw about his profession. Instead of recognizing public relations as a practical part of business management which every executive should study and use, Bernays proceeded on the theory that there were a few initiated specialists competent to practice public relations and that it was a mysterious ritual apart from management itself. That brand of thinking became so widespread and so deeply imbedded in the minds of business leaders that it has taken the modern public relations executive many years to uproot it.

In the roaring twenties a boisterous atmosphere surrounded business. It was a period of extravagant prosperity. Wages were high, the standard of living for all was rising rapidly, and public relations was considered unimportant by all except a thoughtful few. Little public

relations thinking was applied to the affairs of business. In those days were planted the seeds of all the ideological rebellion that gave us fifteen years of business baiting, regimentation and experiments in the socialized regulation of industry.

When the bubble burst in 1929, the public relations failures of business became glaringly evident. If they were not recognized then, frightening proof came when Townsend, Coughlin and Huey Long quickly marshalled to their separate banners millions who dedicated themselves to the destruction of the American concept of democracy and enterprise. Students still shudder in contemplation of what might have happened had those three leaders and their followers been brought together in a single movement.

### Modern Pioneers

It was in the hard days of the depression that the current leadership of public relations developed and the function received general recognition. Evaluation of the leaders of so dynamic a field as this is difficult, but certainly no appraisal of professional contribution would be complete without mention of the following in addition to those already named:

Clark Belden, Executive Secretary, New England Gas Association  
Verne Burnett, Public Relations Counsel; former Vice President,  
General Foods Corp.

Carl Byoir, Chairman, Carl Byoir & Associates, Public Relations  
Counsel

Charles C. Carr, Public Relations Director, Aluminum Company of  
America

Howard Chase, Public Relations Director, General Foods Corp.

Cyrus Ching, Director, Federal Mediation & Conciliation Service;  
former Industrial and Public Relations Director, United States  
Rubber Co.

Northrop Clarey, former Public Relations Director, Standard Oil  
(N.J.)

Pendleton Dudley, President, Dudley, Anderson & Yutzy, Public  
Relations Counsel

Fred Eldean, Fred Eldean Organization, Public Relations Counsel  
Paul Garrett, Vice President, General Motors Corp.

Rex Harlow, Public Relations Counsel, and founder of American  
Council on Public Relations

John Hill, President, Hill & Knowlton, Public Relations Counsel

Holgar Johnson, President, Institute of Life Insurance  
John Price Jones, President, John Price Jones Corp.  
L. E. Judd, Public Relations Director, Goodyear Tire & Rubber Co.  
Bernard Lichtenberg (deceased), former President, Institute of  
Public Relations, Public Relations Counsel  
Lee Lyles, Public Relations Director, Santa Fe Railway  
J. Carlisle MacDonald, Assistant to the Chairman, United States  
Steel Corp.  
Marvin Murphy, Vice President, N. W. Ayer & Son  
Earl Newsom, Senior Partner, Earl Newsom & Co., Public Re-  
lations Counsel  
Holcombe Parkes, Vice President, National Association of Manu-  
facturers  
Robert Peare, Vice President, General Electric Co.  
Conger Reynolds, Public Relations Director, Standard Oil (Ind.)  
T. J. Ross, Ivy Lee & T. J. Ross, Public Relations Counsel  
James Selvage, Partner, Selvage & Lee, Public Relations Counsel  
Philip Thompson, President, Audit Bureau of Circulations, former  
Vice President, Western Electric Co.  
Arthur D. White, former Public Relations Director, Swift & Co.

#### Rapid Progress During World War II

The full power and impact of public relations were developed and dramatized during World War II. Its old tools and techniques were perfected and new ones were devised. It was in that era that means were evolved by which 141,000,000 people were swayed to a common point of view and dedicated to a common purpose within a few weeks. Such mass mobilization of public attitude had never been known before. Business provided the know-how that went into the planning and execution of those campaigns. In the process its leaders gained a knowledge and an awareness of public relations they might not have acquired in a generation of peacetime operation.

Business got this education quickly and above all cheaply. It was spending for public relations, either government money or dollars which taxes reduced to a twenty cent value. Lessons were indelibly implanted by the accomplishment of campaigns which the government either sponsored or encouraged. Out of that experience a majority of business leaders for the first time learned the investment value of public relations.

Much of this indoctrination was accidental. Having few goods to sell and wanting no more customers, business spent billions advertising

its trade marks and telling its corporate stories to keep good-will alive. To their amazement business leaders discovered that this kind of public relations procedure created buying desires and attracted customers. Out of that experience they learned that the public is almost as much interested in the integrity of the company and the craftsmanship that goes into its wares, as in the quality and price of the products.

It was generally assumed that when the war was over and business returned to tough competitive selling, public relations budgets would be drastically curtailed and public relations personnel would be reduced.

There was a brief trend in that direction, but it ended abruptly. Business had discovered the power and inferentially the menace of public opinion. It saw a world-wide trend which denied the whole basic philosophy of American enterprise. It developed fear and business statesmanship at the same time. This meant not only assuming leadership in direct contribution to public welfare, but also telling the story in such a way that the whole public would know and believe the truth.

#### Public Relations Recognized as Management Function

Recognition of the challenge and responsibility for this accomplishment and the awareness that public relations is good business were the two compelling factors which established public relations in its rightful place as the fourth pillar of support in management alongside production, distribution, and finance. While this recognition is by no means universal, acceptance of the principle by businessmen is spreading rapidly. Recent developments clearly indicate this trend.

Perhaps the most important of these developments is the new concept of business responsibility. Out of that concept in the next very few years will undoubtedly develop the ethics and principles that will guide public relations practice in the future. Business is coming to learn that it must operate in the public interest if it is to survive.

Business is developing a sincere and frequently apprehensive awareness of the importance of what the public thinks. Out of that concern has developed a broad expansion in the use of public opinion research and a general recognition of the fact that public attitudes can and must be measured accurately before specific policies are evolved and definite programs projected.

The most important change in management attitude towards public relations has been widespread recognition that real public relations begins at the community level among the employees, customers and neighbors of business. There is an almost universal tendency to abandon the notion that any initiated consultant can solve the problems of a

nationwide corporation or industry by playing tunes on the mass mind of all the people.

The most dramatic evidence of this was the recent abrupt shifting of attention by the National Association of Manufacturers from the national to the community approach in its huge public relations programs. When American Petroleum Institute appropriated a million and a half dollars for its first comprehensive campaign, it focussed all activity at the local level and put leadership in the hands of individual oil executives operating through local and regional organizations.

The public relations of business from now on will begin at the local level and put its principal effort in that area. National trade associations will concern themselves almost exclusively with broad problems which can and should be solved at the national level but will do research for and give guidance to their members in their community programs.

Another promising discovery on the part of business is that public relations is just as important to little business as it is to big business. Incidental to this has been the widespread acceptance of the fact that the philosophy and procedures of public relations are universal and that the techniques used by the biggest corporations are adaptable to the purposes of small ones.

#### Basic Pattern for Public Relations Planning

Out of this growing maturity of public relations has come general acceptance of the theory that there are four basic steps involved in any public relations plan. The first is the employment of scientific study to discover what are the public relations problems and what are their proportions. The second is the adoption of sincere policies of management on which a sound program can be based. The third is the drafting of a detailed program and the execution of it in a way best calculated to earn public approval and support. The fourth step, which meets with more management resistance and timidity than any of the others, is telling the public relations story in frank and convincing terms to all interested publics.

The curse of public relations from the beginning has been the assumption on the part of many managing executives that it is merely a tool for meeting crises and that its function is in the nature of a fumigating process. This management attitude is being abandoned. Almost every substantial program today puts emphasis on repetition and continuity. Management is learning that it is cheaper and more effective to prevent crises in public attitudes than to try to cure them after they have developed.

### Further Proof of Maturity

Another promising development is the increasing recognition by management that sound public relations programming requires technical skills. The modern executive is coming to be just as hesitant about trusting his public relations problems to an amateur as he would be to trust the management of his production, sales or finance to unskilled and immature hands.

A concomitant development is that business is learning that regardless of how skilled the public relations consultant or director may be, the managing executive must know the philosophy and techniques of public relations in order to fit the function into the organization picture.

Management interest in public relations is further demonstrated by the fact that since World War II practically every business convention devotes as much time to discussion of public relations problems as to all other subjects combined.

Executives not only are studying the philosophy and policies of public relations but also are learning its techniques. Individual corporations and trade associations sponsor both national and community institutes and forums at which this newest and most vital function of management is studied. They are teaching it to their employees. Many corporations have arranged that every employee on the payroll from the chairman of the board to the janitor shall attend regular classes on company time and learn how to promote good public relations in the interest of the individual as well as the corporation.

Every day more corporations establish a public relations department for the first time or employ outside public relations counsel. Public relations department personnel is being increased and budgets are expanding. A recent survey shows that 90 percent of the manufacturing corporations of America substantially increased their public relations budgets in the postwar years.

Perhaps the best measure of management's attitude towards public relations is the salaries it pays to those in charge of the activity. For the first time salaries are beginning to be commensurate with the responsibility the function implies and the technical and executive skill required. Since the beginning of World War II staff salaries in public relations have doubled and management salaries have trebled. Management confidence in the function is also demonstrated by the fact that almost every competent public relations counsel has all the work he can handle despite the increase in the number of counsel, the expansion of their staffs and the rather substantial advance in the average fee.



### Specialization Develops

Like all professions, public relations began with the general practitioner. As fields and areas of interest expanded and tools and media multiplied, specializations began to develop. Already there are as many specialists in the field of public relations as there are in medicine and new ones are still developing.

Public relations leadership began in business but today it is a primary concern of management in every field of organized activity. There are public relations specialists in international relations, and in the fields of government, education, religion, labor, social and civic welfare, to name but a few.

In the field of business, specialists have developed in almost every industry and division of commerce. There are specialists in banking, heavy industries, railroads, trade associations, and even labor unions. A new specialization that is expanding concerns itself largely with the public relations of small business.

The most common and perhaps the most effective specialization has been in specific areas of public relations. These tend to treat exclusively public relations with one specific public, such as employees, customers, stockholders, community, dealers and distributors, suppliers and vendors, women, schools and racial groups.

Then there are specialists in the tools and techniques of public relations. These concentrate their attention on the various media such as the press, radio and audio-visuals. Others deal with suggestion systems, annual reports, executive and employee training in public relations, public relations booklets and pamphlets, open house, company publications and other techniques.

### Academic Recognition of Public Relations

Evidence of the growing maturity of public relations is to be found in the increasing recognition of it by educational institutions. Five years ago one could have counted on his fingers the number of colleges teaching public relations, even in a single course. Already almost one hundred educational institutions have put such courses into the curriculum. It's true that a substantial number of these still find difficulty differentiating between public relations and publicity, but the basic principles and practices of real public relations are being taught in a practical fashion by a high percentage of these schools.

Few leaders in the profession accept the notion, being rather timidly promoted, that professional public relations people should be required

to study prescribed courses and be licensed by some official agency. But there is a growing tendency to recognize that some sound academic training affords the best background for leadership and outstanding accomplishment in the profession.

Public relations directors within the colleges themselves have given this trend its greatest impetus. Leadership in this development may be credited in substantial part to the American College Public Relations Association consisting primarily of the public relations directors of colleges and universities.

An outstanding highlight in this development was the establishment of the first School of Public Relations in September, 1947, at Boston University. Syracuse University early in that year had set precedent by offering a Master's degree in public relations. Iowa State University encouraged the trend by granting, in 1947, certificates of honor to Carl Byoir, public relations counsel, and Conger Reynolds, public relations director of Standard Oil of Indiana, for outstanding contribution to national welfare through their leadership in the field. In 1948, three doctorates for accomplishment in public relations were conferred. The degree was given by Boston University to Earl Newsom, public relations consultant, and to Glenn Griswold, publisher, *Public Relations News*; Skidmore conferred the degree on Pauline Mandigo, president, Phoenix News Bureau. In 1947, Whitman College similarly honored Paul Garrett, General Motors' vice president in charge of public relations.

Some of the colleges and universities offering public relations courses:

University of Akron	Emory University
University of Alabama	Fresno State College
Army Information School, Carlisle, Pa.	University of Georgia
Baylor University	Georgia School of Technology
Boston University	Harvard University
Bucknell University	University of Houston
Butler University	Hunter College
University of Chicago	University of Illinois
University of Cincinnati	Indiana University
College of City of New York	Iowa State College
University of Colorado	State University of Iowa
Columbia University	Kansas State College
Cornell University	University of Kansas
University of Denver	Kent State University
De Paul University	University of Kentucky
Drake University	Louisiana State University
	University of Louisville

McMurry College	Rutgers University
Marquette University	Seton Hall College
University of Michigan	Simmons College
Michigan State College	Smith College
University of Minnesota	University of Southern California
University of Missouri	Stanford University
Montana State University	Syracuse University
University of Nebraska	Temple University
New School for Social Research	University of Tennessee
New York University	University of Texas
Northwestern University	Texas Christian University
University of Notre Dame	University of Toronto
Ohio State University	Tulane University
Ohio University	United States Military Academy
University of Oklahoma	University of Washington
Oklahoma A. and M. College	Washington & Lee University
University of Oregon	Wayne University
Pennsylvania State College	Webber College
University of Pittsburgh	West Virginia University
Princeton University	Western Reserve University
Purdue University	University of Wisconsin
University of Richmond	

Academic recognition of public relations offers good assurance that the executives of the future will be well-trained in the theory, principles and procedures of this new function.

#### Professional Organizations in the Field

Nearly ten years of effort at organizing public relations people into a professional group was recently marked by the merger of the National Association of Public Relations Counsel, Inc., and American Council on Public Relations into the Public Relations Society of America. Only this group and the American Public Relations Association are now organized on a national basis. But in almost every metropolitan center there are local organizations of public relations and publicity workers who are gradually accepting common purposes and tending towards the adoption of professional standards.

Recognition and acceptance of public relations as a basic function of management and a public service have developed rapidly in recent years among the various media. Today practically every trade paper and most newspapers accept public relations as a service to them and to their readers. Diatribes against the profession characterizing it as an organized effort to steal free space and time have almost disappeared.

The editors of most media cooperate actively in a wide variety of public relations efforts. A few of them have established departments to treat the news of public relations editorially and most of them include public relations information in their business news columns.

Significant evidence of the broad public interest in public relations was afforded by the release in 1947 of an issue of *March of Time*, called "Public Relations. . . . THIS MEANS YOU!" For the first time some 30,000,000 Americans and millions of Europeans saw a motion picture devoted entirely to an exposition of the philosophy of the function and its tools and practices.

#### The First Public Relations Weekly for Executives

In July, 1944, *Public Relations News* was established as the first national weekly public relations publication for executives. For the first time, the field has an independent editorial voice.

Bibliography is still meager but books serving the field are appearing more frequently and their editorial merit has improved substantially in the last few years.

All the factors catalogued here as indicating that public relations is coming of age are important. But the most convincing evidence is the movement of the public relations function to the policy-making level. A long list of organizations in the last few years have chosen men of public relations experience for top management positions. This tends to correct the basic evil that in the past able public relations executives were given wide responsibility without commensurate authority.

#### Tomorrow's Leaders Coming from Public Relations Ranks

Public relations directors and consultants are being added to boards of directors and trustees, elevated to the presidency or chairmanship and given authority to represent their organizations when policy decisions need to be made. This is in recognition of the basic fact that in order to be effective as a management executive today, one needs to know how to meet the critical human problems on which most controlling decisions must be based.

Here are a few of the management executives whose appointment to leadership was based primarily on public relations experience and soundness of judgment in the solution of problems of human relations:

A. W. Peake, President, Standard Oil of Indiana

Paul G. Hoffman, President, Studebaker Corporation

Eric Johnston, President, Motion Picture Producers and Distributors of America

Joseph L. Egan, President, Western Union

Edgar M. Queeny, Chairman, Monsanto Chemical Co.

Charles J. Hardy, Jr., President, American Car & Foundry.

These illustrations are confined to the field of business but the same record is visible in the recent history of organizations in every field of human endeavor.

Management must learn, and is learning, to search out and measure public attitudes and to discover the causes of them before attempting to solve public relations problems. By the same token it must learn and is learning the philosophy of public relations, its tools and procedures and how to use them. Management has discovered that public relations is profitable and that good will is the most important item on its balance sheet.

Public relations is coming to be recognized almost universally as a powerful force. Its first concern is to serve the public interest. If skillfully used, it can do much to bring harmony, peace and prosperity not only to business but to the nation and the civilized world.

## MANAGEMENT'S STAKE IN PUBLIC RELATIONS

BY HARRY A. BULLIS  
Chairman of the Board,  
General Mills, Inc.



DURING THE EARLY YEARS of this century, expansion and production, almost exclusively, occupied the country's best business brains.

The years between the two world wars were characterized by tremendous emphasis on selling and merchandising.

I firmly believe and hope that the second half of our century will be marked by inspiring progress in the field of human relations. Unless men set their minds to achieve this progress, unless the many intricate group relationships of our modern world can be harmonized—with forbearance and understanding—we can expect no perpetuation of our American experiment in freedom, no peace, nor opportunity.

### Benefits of Sound Public Relations

The newly-emerging function of public relations is being called upon to play an important role in the development of human relations in the

20th century. A sound policy and program of public relations should be part of the day-to-day operating philosophy of every modern company. Here are just a few of the things a systematic practice of public relations can do for management:

1. Increase company good-will, by developing public understanding and appreciation of services rendered.
2. Build wider customer acceptance of products.
3. Make easier the introduction of new products.
4. Help promote good labor relations; reduce employee turnover; and make easier the securing of high-caliber personnel.
5. Create broader understanding of, and sympathy with, the problems management faces.
6. Facilitate new-financing plans and the attraction of new-venture capital.
7. Build public confidence in the American system of free competitive enterprise as the most desirable economic climate.

### What Is Public Relations?

Public relations, in essence, is our "dealings with people." As part of the broad science of human relations, it is as old as humankind—as ancient as the continuous struggle for men's minds. When Cleopatra welcomed Mark Antony in regal splendor on the banks of the Nile, she was practicing public relations. When General Electric announced price cuts on their appliances, they were using public relations. When Sears Roebuck achieved outstanding success with its profit-sharing plan for employees, that, too, was public relations.

Every company, regardless of size, each day has thousands of "dealings with people," that is, relations with the public. For example, whenever your salesman makes a dealer or wholesaler happy, *that's public relations*. When the receptionist or telephone operator in your office is pleasant and helpful, *that's public relations*. When a consumer gets real satisfaction from using your products, *that's public relations*. When thousands of people read in their newspapers that you are building a new plant and creating new jobs in their community, *that's public relations*. When you gladly loan your two best trucks to the Red Cross to help out in an emergency, *that's public relations*. When you make it possible for employees to take part in worthwhile civic projects and encourage them to do so, *that's public relations*. When one of your people is made an officer of his union, or an executive is elected president of your trade association, *that's public relations*.

As Edgar M. Queeny, board chairman of Monsanto, expresses it:

"Public relations seeks to identify a corporation with what in an individual would be good manners and good morals." In simplest concept, it is *good manners to win friends*. It is being a good business citizen, from the top of your organization to the bottom.

### Two Basic Principles of Public Relations

But being a good business citizen is not, of itself, enough. You must also do a systematic job of telling the public about it. In the words of the Bible, you must "Let your light so shine before men that they may see your good works." False modesty has no place in this picture; it is only good common sense to recognize that public opinion is a powerful force—a force that can make or break your enterprise. The way to good public relations has been summed up simply in the words "(1) Do good; and (2) tell other people about it."

Bragging or blatant self-praise should, of course, have no place in the telling. Far better nothing at all than this. But what is needed is the simple carrying of facts about your organization and its activities to those whose good opinion you value.

### Everyone on Payroll Is in Public Relations

Not long ago, in discussing public relations, one of our new salesmen said to me: "Do you mean to say that I'm part of our public relations program?" I replied that in his territory he *is* General Mills. Everything he does and says, every day, either helps or hurts the company.

This incident prompted me to send the following message to each of our 12,000 employees:

"When we tackle our individual jobs with enthusiasm, when we speak well of General Mills to our friends, when we show a lively interest in the company's affairs and talk in a well-informed way about its products and policies, when we do these things, all of our production and merchandising programs—in fact, all phases of our activities—are boosted twelve-thousand-fold.

"On the other hand, when we take the gloomy or negative approach we drag everyone we contact down to our level, and drain away valuable company good-will.

"In the course of our daily work most of us have contacts with one or more of the following groups: customers, suppliers, other employees, stockholders, representatives of government, and the general public. Our goal should be to make all these human relationships so good that they will contribute to a broader understanding and appreciation of our company and of the services it renders. And that goes particularly for the president and the other executives, too!"

"Yes, it is well to remind ourselves occasionally that to the people we deal with each day *we are General Mills*. We, personally, represent the company to the public. We are its good-will ambassadors."

Every man and woman on the payroll is in public relations. The function of public relations is not limited to a small staff of experts, or to any one executive. It is an operating philosophy that must permeate the entire organization, from the chairman of the board, the president, and all other major executives down to the sweeper in the mill.

All employees should share in the job of getting the essential facts about the company across to the public; the services it renders, the profit it makes, and the place it occupies in the community.

### Why Should We Care What the Public Thinks of Us?

Occasionally you run into the Rip Van Winkle type of business executive who says his outfit is too small to have to worry about public relations, or it has no product for sale direct to consumers, "so why should we bother?"—or that "someone else in the company looks after that" (it develops he's in Florida!)—or "We've gotten along O.K. without it so far"—or "We leave that to the trade association."

In slothful thinking of this kind, real danger lies. Fortunately, it is on the decrease, or all of us could look forward to early state socialism.

What these head-in-sand managements do not realize is that *public relations is something you've got whether you want it or not, and whether you consciously do anything about it or not.*

Professor N. S. B. Gras, of the Harvard Business School, makes the "either or" nature of our present situation very clear. "Business is now," he writes, "adopting a new policy—that *the public should be fully served and fully informed*. A complete national capitalism or socialism stand as the alternatives of public policy and the essence of public relations."

Either people think well of you, think badly of you, are lukewarm, or just don't know enough about you to have any opinion. Of course, only the first of these alternatives is to your best interest.

If people think well of you—that is, if you enjoy good public relations—the citizenry regards you as a valuable friend and neighbor, an organization they are proud to have in the community, one which they point out to visitors. In difficult times for the enterprise, they will pitch in and lend a hand.

### One Tangible Example

Any mention of community cooperation always reminds me of the

wonderful help we received from the citizens of Belmond, Iowa, at a time when the company was in a tough spot. It was during the war, in 1944. We had bought an old beet sugar factory at Belmond (a town of 2100) and were trying to turn it into a modern soybean processing plant that would give employment to about 150 persons. Our biggest problem came in the construction of new concrete storage elevators. The contractor had secured all necessary materials, but the severe war labor shortage threatened to bog down the whole operation.

We went to the town's leaders for help. *And it came.*

The mayor, two ministers, the high school superintendent, three bankers, several lawyers, doctors, judges, filling station operators, two funeral directors, the local barber and billiard parlor owner—and enough others to make up a complete 36-man night shift—*turned to, poured and wheeled concrete every night until the job was done!*

In the ceremonies at the plant opening, we presented the community with a plaque inscribed with the names of those who had helped. But there is never adequate means of rewarding such friendship. We can only try our best to be worthy of it.

The concern with a negative approach to the public, or with careless disregard for its social responsibilities, has no right to expect, and *does not get*, support from the community.

#### Good Public Relations Made the Difference

In an industrial community not far from Chicago there are two medium-sized plants. They are not in competition, but make very similar products, and have approximately the same number of employees. Pay rates are, by and large, the same. Plant "A" is known to everyone as the "best place in town to work." There is equally wide agreement among the townspeople that plant "B" is the worst place to work. Plant "A", with only one brief work stoppage in its entire 26-year history, has never missed a dividend payment. Plant "B" suffered through strike after strike, and has been in financial peril on several occasions.

An examination of both plants' public and human relations programs gives eloquent answer to the paradox.

The management of plant "B" has never made a real effort to explain to its employees, and to the community, how it operates or what it stands for. It has no company publication, no employee recreation program or facilities, no pension plan, no company-sponsored health and accident insurance, no credit union, no length-of-service awards, no old-timers' club, no employees' annual meeting or picnic, and no wage

incentive, bonus, or profit-sharing plans. It has never made a statement, except under pressure, to the local press; and it regards plant-city advertising as a useless waste of stockholders' money. No one has ever been able to talk the management into taking a leading part in the Community Fund drive or in any other civic welfare activity. "Too many labor headaches" is the reason usually given for not participating!

### Public Relations Paid Dividends

In contrast, the management of plant "A" has, over the years, developed a strong structure of sound public and employee relations. A close personal relationship—a real family spirit—has been built up between management and employees. A broad program of employee benefits is in force, including a planning committee whose goal is the achievement of maximum job security on a year-round basis. At the annual employees' dinner, the company family is given a visual presentation of the past year's work. All of the company's employees, together with their wives and husbands, are shown exactly what the income was from sales during the year, how much went for raw materials, transportation and other services, taxes, executives' salaries, employees' wages, and stockholders' dividends. Profit margins are explained. There is a friendly exchange of questions and answers, suggestions and criticisms.

Members of the management at plant "A", as well as a great many other employees, have been active for years in community affairs—the board chairman at one time serving as president of the local Chamber of Commerce. Relations with practically all segments of the public, including the press, are friendly and cooperative.

The president himself supervises a modest but effective campaign of plant-city advertising, explaining the company's policies and contributions to the community.

Abe Lincoln expressed in one sentence the reason why any enterprise must have the confidence of the people to be successful: "With public sentiment nothing can fail; without it, nothing can succeed."

### How To Build Good Public Relations

I am frequently asked the question: "How should we go about building good public relations for our organization?"

The first step is to *put your house in order*. Sound business ethics, high standards of operation, and a sincere desire to serve the public—these are the first requisites of good public relations. There is great truth in the saying, "Public relations begins at home." In public relations

work, the company itself is your product, and every successful salesman knows the futility of trying to sell shoddy merchandise.

George A. Saas, head of G. A. Saas & Company, and formerly public relations director of Citizens Gas and Coke, Indianapolis, nails down this point with the refreshing directness of the former newspaperman:

"Guys like me, public relations men, can only interpret. We can't whitewash a black sheep, and no amount of publicity will improve your public relations if deep down in your heart you're a stinker. If you're a cold-eyed, calculating, heartless, profit-grabbing type of operator—then good public relations is not for you. On the other hand, if you live a clean business life, if you're fair and honest in the endeavor of giving your employees, customers, and the public a fair shake, good public relations becomes a distinct possibility."

#### Put Your Operating Philosophy in Writing

It is helpful to set down your basic operating concepts in black and white. This has been our practice at General Mills. We mail a copy of "Basic Policies on which our Company Operates" to all employees and stockholders along with the Annual Report. It includes concise statements of our operating policies with respect to: research, service to the public, free competitive enterprise, human relations, adequate compensation, quality products at fair prices, fair profits, sound advertising, modern selling, realistic accounting, public relations, high output and lower prices.

#### Setting Up a Program

The next step is to analyze how you stand currently with your various "publics," and to set about formulating a program for improvement. The program should be designed to make your organization better and more favorably known to these groups.

There are two elements to be considered here: (1) familiarity, and (2) reputation. Wide familiarity, in and of itself, is of no consequence. Heinrich Himmler, for example, was well known; but such recognition is mere notoriety. It is when broad familiarity and good reputation are combined that something of lasting value is achieved. Consider, for instance, the great number of people who immediately associate the trademark "57" with the H. J. Heinz Company, recalling it to mind as an old firm of unquestioned integrity. This kind of good-will is valued on the Heinz books at \$1, but actually it is the most important item on the balance sheet. It is the cornerstone on which rests the success of the entire corporate structure. It represents the friendship of the American

public for the company, as a producer of high-quality merchandise and as a good business citizen.

### Public Relations Objective

To have all of the "publics" with which you come in contact, directly or indirectly, know you readily, and *think well of you*—that should be the goal of your program.

Building such productive relationships involves telling your company's story, simply and truthfully, through all available channels. It is a continuous job of keeping the public informed of what your organization is doing, with emphasis on *the services it renders to the public*.

In shaping your program, first consideration should be given those groups that have a close natural interest in your enterprise: employees, stockholders, customers, suppliers, and members of the plant community. Here, again, "public relations begins at home" is sound counsel.

Next you can turn your attention to the press and general public concentrating on those segments of the public most closely allied with your operation. In General Mills, for example, we have particular interest in homemakers, rural leaders, and teachers, and have developed specific programs for each group. Other logical groups are representatives of government agencies, ministers, women's groups, consumer organizations, and opinion leaders.

This, then, is the make-up of the Supreme Court of Public Opinion to which you must address your case. On it sit customer, employee, stockholder, supplier, plant-community citizen, farmer, teacher, opinion leader, and others whose friendship is important to your welfare.

The modern complex business structure, even of a comparatively small organization, can be compared to an iceberg— $\frac{1}{8}$  visible and  $\frac{7}{8}$  unseen. It is human nature to fear and misinterpret what we cannot see nor understand. This makes doubly important your responsibility to enlighten the Supreme Court of Public Opinion on that part of your activities out of general view.

### Give the Public Facts

Failure of business to explain itself adequately in this manner has produced a set of dangerous misconceptions. Reliable surveys show that industrial employees believe the "take" of management and stockholders is about 25¢ on each dollar of sales. The average citizen believes it is 30¢. Yet the same surveys show that people consider 10¢ on the dollar a fair profit.

The plain truth is that industry as a whole earns well under 10¢ on the sales dollar. In General Mills our profit recently has been less than 2½¢ on each dollar of sales.

From this it is obvious we are not getting the truth across to the public. We are not even getting it over to our own employees. In consequence, there is no firm foundation for public understanding of our services, and the labor-management conference tables are too often ruled by prejudice and emotion rather than by a give-and-take attitude based on facts.

If enough companies will present the truth about themselves to the public and to their employees and stockholders—in terms of their own activities, services and profits—a broad base for cooperation will gradually be established. Industry will then begin to receive the public appreciation and support it deserves.

#### Surveys Show Increased Skepticism

The urgent need for business to explain itself—to speak out on a positive note—is heightened by a growing tendency on the part of the public to be skeptical of business in general.

Professor Gras points out that "the depression of 1929-35 left deep furrows in the public esteem of business." There is ample evidence that industry's immense war achievements raised its standing in the eyes of the public somewhat, but strikes, shortages, and high prices appear to have offset this improvement. In a recent *Fortune* poll, 94 percent of the people said that businessmen should recognize their social responsibilities, but 64 percent believed that less than half of the businessmen they know recognized their responsibilities to society and tried to fulfill them.

A General Mills public attitude survey, made by the research section of Batten, Barton, Durstine & Osborn, confirms this pattern of decreasing unqualified approval of business. There is no apparent growth in hostility toward business, but a very marked upward trend in the "I'm from Missouri" attitude. There are many more people today who answer "I don't know" when asked whether they believe business is "unselfish and public-spirited," or "selfish and grasping." It is an honest "I don't know," because, by and large, business has failed to furnish them enough facts to go on; and our society is becoming increasingly reluctant to give its stamp of approval without tangible evidence that it is deserved.

Clearly, then, there is a big job ahead in developing knowledge, conviction, and approval of business' willingness to accept social responsi-

bility. We must tell our story as interestingly and as widely as possible—avoiding empty generalities. We must let the facts speak!

### Business Must Regain Leadership

If, as Harvard economist Sumner Slichter says, we in business have lost the "intellectual initiative," let us find it again without delay. The great majority of companies have positive and progressive stories to tell. They are doing things the public would be glad to hear and know about, in terms of new jobs and opportunities, new products, new conveniences for consumers, new uses for the farmer's raw materials, new programs for employee's safety and health—all based on a sincere confidence in the American system's ability to continue to improve the general living standard of our people.

This is certainly a positive story. I, for one, believe it is best told by each individual company in terms of its own activities.

### Selecting Public Relations Personnel

It is desirable to have professional advice in the development of an over-all program and in the selection of media and techniques to reach your publics. Your own individual situation will dictate the form of assistance sought. Types and choice of public relations services are discussed in detail elsewhere in this book. Broadly speaking, however, the alternatives include:

1. Retaining the services of a qualified public relations consulting firm.
2. Developing a public relations staff within your organization, under the supervision of a company official who has special talent and experience in the field.
3. A combination of Numbers 1 and 2.
4. Making use of the public relations services of a good advertising agency. Many top-notch agencies now maintain separate public relations departments.
5. A combination of Numbers 2 and 4.

Be careful to obtain thoroughly qualified personnel. You will find self-styled experts in the field galore, all eager to get their names on the payroll, but many of whom unfortunately still think of public relations in terms of publicity. Favorable press relations, of course, are an important part of public relations—but, as we have seen, the art also encompasses many other vital relationships as well. The safest policy is to seek your guidance among those who have had experience with other

programs and who have demonstrated their ability through successful accomplishment.

#### Place Public Relations at Policy-Making Level

The public relations function belongs close to the policy-making level. The real public relations director of any company is its president. There are very few management decisions that do not have public relations aspects. For example, price changes, employment lay-offs, large contributions to charity, changes in products or package design—all involve typical decisions that must be weighed carefully for their effect, good or bad, on the company's standing with the public.

The public relations director, or outside consultant, should report directly to top-level management—where his knowledge of public attitudes and reactions can help shape broad plans.

#### Continuity of Program Is Vital

It was Dr. Samuel Johnson who said, "A man, Sir, should keep his friendships in constant repair." The admonition might have been equally well addressed to business. For there is no such thing as a one-shot public relations program.

To accomplish anything of lasting value, your program must be a continuous, long-range, year-to-year operation. Good will cannot be written on the books overnight. And it can never be written on the books so that it will stay there without subsequent entries. All ink tends to fade in the ledger of public opinion. We must make our entries every day.

#### Measuring Public Relations Accomplishment

Once an organized public relations activity has been placed in effect, it is highly desirable that there be some attempt at measurement of results. Public attitude is a very intangible commodity, but competent practitioners in the field of opinion research have proven that it can be measured, scientifically and accurately.

If you measure your standing with the public at regular intervals over an extended period, it is possible to chart progress. Our public attitude surveys in General Mills, conducted every 18 months to two years, have proved conclusively that we are making progress, not only with the general public, but with our employees and stockholders, and with the special groups with which we work. The coordinating endeavors of our public relations staff, and the cumulative efforts of all individuals in the company, have had a marked effect.

Good surveys of this kind are not difficult to make, nor are they out of line as to cost. There are many agencies and firms well equipped to handle them.

### Developing Public Relations Consciousness in the Company

Good public relations cannot be achieved by simply delegating the responsibility to a company executive, appointing a public relations director, or retaining outside counsel. As already stressed, the whole payroll is involved in the job, particularly the president and the other major executives. Proper implementation of the program requires the understanding and participation of each representative of management.

What methods are available for inculcating fundamental public relations thinking at all organization levels?

Recently we issued an illustrated pamphlet to all employees, entitled *Your Public Relations Job*, containing specific ways in which our people can help make the company better and more favorably known. A number of other companies have prepared similar booklets. Public relations can likewise be stressed in company publications. Management conferences, sales meetings, employee forums, and other gatherings also furnish opportunities for spotlighting the public relations responsibility.

In a widespread organization it is advisable to delegate responsibility for coordinating public relations to a specific individual in each plant community and in each major branch office. These men should be kept advised of the day-to-day public relations activities at the headquarters office; and they, in turn, should funnel news of company operation from the field to headquarters.

### Information Must Be Honest, Accurate

Information, after all, is the raw material of public relations. Checking its accuracy, boiling it down, and disseminating it where it will do the most good is the manufacturing process, so to speak, of public relations.

Our booklet *Your Public Relations Job* closes with these words:

"Honest, accurate information about the company is the basis of good public relations. Know it. Tell it. *That's your public relations job!*"

Obviously, employees cannot do this job unless management gives them the necessary information. "The most powerful influence on a company's community standing is *what its own employees think and say about it*," reports Dr. Claude Robinson, the skilled measurer of

human attitudes towards business. Along with the giving of information, therefore, we should try to build a sense of participation. Recognition for work well done, opportunity for advancement, and good wages—in that order—are the most important factors in causing employees to feel "This is a good company to work for."

The goal towards which each man and woman is working is a simple one—a better standard of living, self-respect, and self-confidence. The goal of industry is identical with that of the average man. Sound public relations can develop understanding between them and can help bring lasting peace, understanding, and cooperation among all groups.

# PUBLIC RELATIONS FOR SMALL BUSINESS

BY J. T. LEWIS, JR.  
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## T

HE FIRST QUESTION THAT arises in any discussion of public relations plans for the small business is an acceptable definition of "small business." We must investigate the inherent characteristics of a business and determine what makes it large or small.

Size alone is not the best yardstick. A small business has many of the characteristics of a small town. Population is not the only determinant. The quality of the mutual personal relationships, the scope of the enterprise, the methods of marketing the products, and the geographical location must all be considered.

In this chapter we are considering a small business as one in which the operations are all carried on at one location; there are no branch plants. The product is used in a limited area, so that national advertising and sales promotion methods are neither desirable nor necessary. The

number of employees is small enough so that they can gather at a meeting and there will be mutual recognition between the employees and supervisors based on actual acquaintance.

As contrasted with the small business, we think of the large business as one with national markets, far-flung sales organizations, and branch plants in many locations, all of which introduce problems of management and communication with which the small business is not concerned.

Most large businesses had small beginnings. The transition period when the small concern is expanding rapidly is the most difficult to handle. Management personnel are preoccupied with problems inherent in the expansion itself such as new construction, new products, new customers and new manufacturing methods. The personal relationships may be put aside as being of lesser importance. Mr. Manager, you used to know every employee when your business was very small. How many do you know today? Can you call off even the last names of the last ten men that were hired? That is a hard test, but a good one.

#### Problems of Small Business

The purpose of a good public relations program, in both its internal and external aspects, is twofold. It must provide a suitable means of maintaining the personal contact between manager and employee, department head and clerk which is so necessary to mutual understanding and respect. It must also provide a means of communicating company background, policies and qualifications to the outside world.

The small business performs all the functions of the large corporation,—purchasing, accounting, selling, engineering and production,—but the administrative costs must be kept within reasonable limits. There is the perpetual dilemma to rationalize; the ever present question to answer. How can we balance the costs of employing the necessary talent with the limited funds left over after manufacturing costs are met? The department heads of the smaller business must have the same training and ability as their counterparts in the great corporations, and therein lies the problem.

Obviously, this problem must be met by employing a smaller number of highly qualified personnel, and having each of them assume several duties. This is the opposite of the problem of "divided responsibility", but it is just as difficult to resolve.

#### Public Relations—Number One on the Agenda

In many instances, the head of your small business is beset by so

many problems he must solve himself that the matter of public relations is relegated to the bottom of his priority list. In fact, it may be so far down that it is never even carefully examined. This situation is understandable, but a grave mistake. After all is said and done, what is the truly basic commodity in all businesses? It is human effort. Some of the effort is applied clerically, and some of it is applied manually, but people and personalities are back of it all.

It is an old military axiom that a poor plan, well executed, will succeed where the perfect plan, poorly executed, will fail. How true this is in business. The accurate communication of ideas is essential to the execution of the plan, and, in business, we consider the program of public relations as the program of communications. The management may have the finest plans and policies in the business world, but time, thought and effort must be spent on transmitting or communicating these ideas to the employees, the customers, and the community in which the business is located.

That being the case, somebody has to take charge and make it a full time job. It cannot be relegated, on the old spare time basis, to the production superintendent or some other already overburdened executive to take care of when he finds time.

### Scope of the Public Relations Program

It seems to us that any public relations program must accomplish these four things:

1. It must keep the employee as well as the shareholder informed as to the conduct of the business
2. It must adequately provide for the various phases of employee welfare
3. It must keep the customers informed in all respects
4. It must provide for maintaining the firm's reputation in the community.

Having recognized that these obligations must be fulfilled you then face the question of whom to pick for the responsibility. Mr. Manager, your first reaction may be that you can't afford to spend money on such intangibles. Maybe you feel that you are already taking care of these things yourself. But are you?

Each of these functions is so important that no one of them can be neglected. In this firm, keeping the 250 employees informed and supervising their welfare on the job is a matter which requires the full time of a personnel manager and an assistant. Keeping the customer informed and maintaining a reputation in the community is a matter in which the

entire administrative organization must take part. The extent to which a company employs the medium of advertising will have a large bearing on the customer relationship and that particular point will be discussed later on in the chapter.

This company can be considered as an average small manufacturing business. It is a policy here that public relations, both internal and external, carry a high priority on the list of activities.

### INTERNAL PUBLIC RELATIONS

The first phase of internal public relations is to maintain a constant line of communication from the policy-making group to the man who actually does the work. The very small business with a handful of employees will not be particularly concerned with this matter if the owner or manager will take the time and the trouble to talk to his employees daily and keep them in close personal contact with the business problems. The somewhat larger, though still small business, such as our own, poses the problem of maintaining the communication with a much larger group of employees. With this number of employees to consider, the president or general manager cannot speak to them individually every day and must use other means of communicating his ideas and those of his department heads.

These ideas must not only be transmitted *promptly* but they must be transmitted *accurately*. If they pass through superintendents and foremen and assistant foremen and group leaders before they reach the workmen, there is every likelihood that the information will be so distorted by inaccurate repetition that it will not be uniformly understood. The head of the firm and his policy-making group, must devise ways and means of transmitting information so that it is distributed uniformly and accurately.

For example, if one foreman honestly believes that it is his duty to deny leaves of absence in the interest of good attendance, and another foreman in the next department believes that the management intends to be liberal about leaves of absence, misunderstandings are certain to occur with the first two requests that are made.

#### Channels of Communication

There are several simple and readily administered methods of transmitting information to the employee and obtaining his ideas. We utilize the following:

1. An employee handbook.

2. An annual report, which is the firm's balance sheet in narrative form.
3. A monthly letter from the president to the employee, explaining significant changes in equipment, new contracts and new construction in the plant which are of general interest to the employee from the standpoint of job security.
4. An administrative organization chart, prominently displayed, to show the individual his line of communication upward through the chain of command to the head of the company.
5. Bulletin boards which display posters on the subject of safety, waste, and other plant management matters which can be presented pictorially.
6. Regular weekly meetings of department heads at which time policy decisions are made and general instructions given. Instructing one department head in the presence of the others is a good method of insuring mutual understanding.
7. Regular weekly meetings for foremen at which time company policies as well as operational problems are discussed. These meetings are held on the same day as the interdepartmental meeting so that the works manager can transmit information to his foremen without delay.
8. An employee suggestion system, organized so that the employee submits his suggestions anonymously. They are judged by a committee of his peers—not his superiors.

*The Employee Handbook.* The employee handbook, to be effective, should describe the organization of the company, the products manufactured, tell the employee what is expected of him as well as what he may expect from the company. It should carefully outline such matters as special rules of conduct, safety regulations, time keeping methods, and any routine procedures which the employee will be expected to follow. It must also clearly describe all the standard workman's benefits such as unemployment compensation, group insurance, seniority rights and similar conditions of employment.

In other words, it must express the policy of the company toward the employee. It must not be used as the only method of expressing this policy but it is a convenient method of putting the main points in writing so that their interpretation is not left to subordinates. As the personnel manager is conducting the initial interview with the new employee he can give him this handbook which then becomes a written record of a great deal of the conversation. He should insist that the employee read it carefully. This can save many future arguments.

Once the employee is installed at his new job the handbook then becomes the policy of the company as regards the foreman's relation to the employee. It is a statement of the rights of the employee as well as the authority of his immediate supervisor.

*The Annual Report.* Job security is probably uppermost in the employee's mind. He wants to know, and it is only proper that he should know, what is going on in the front office, whether the company is making or losing money, whether or not its products are being kept up to date with the changing times, and whether his job is good for years into the future. These points should be covered in detail in a report and be presented clearly and accurately in a manner that everyone can understand. A recitation of current ratios on a balance sheet will mean very little to our average employee, but a clear statement to the effect that 50¢ out of every \$1.00 went to him as wages, whereas the company retained 2¢ for the replacement of worn out tools, is something he can understand. It is not urged that we talk down to the employees. Far from it. We merely caution against expressing facts and figures in a medium with which he is not familiar. Avoid the terms of the balance sheet and use the simple phraseology that is a part of everyday conversation.

Such a report is not expensive to prepare for 250 to 500 employees. It can be printed and distributed for a cost of not more than a \$1.50 per copy. This, we submit, is a small investment, in view of the mutual understanding to be gained.

*Monthly Letters.* Letters to employees are probably the hardest kind of letter to write. The tone of the letter must be right, or no letter at all is preferable. In these days your average employee is being made the target of every imaginable form of propaganda. The press, the radio, the movies, carry messages to him, sometimes willfully, sometimes carelessly, which tend to make him feel that he belongs to a special class of people—labor. What is worse, once he is convinced that he is in a special class, he automatically places those who conduct the business in another class, which he becomes determined to suspect.

There is no sense in actively resenting these facts. They exist, and must be faced. The only solution must lie in patient explanation, and the continuous flow of factual information so as to finally break down the wall of suspicion.

Your employee starts to work with little knowledge of the firm or its product. During his induction interview he is told a good deal, most of which he will forget. His handbook is a written summary which will help as a reminder. But how can we keep him informed as to future

plans and major changes? If we put in a new travelling crane, it is obviously to save labor. The man who works in that area can easily imagine that someone is going to get the job of operating the crane but that some other stock movers will lose their jobs. It won't take long for the grapevine to work the story up to a certainty.

But let us suppose we put in our monthly letter something like this:

"We finally located a new crane for the side bay and expect to have it installed next month. This is a real solution to a tough material-handling problem, and will just about double the speed of moving materials in that area. The men who are doing the floor work now are badly needed in the other shop on production work. This way we solve two problems at once."

Here we short circuit the grapevine, tell the men what is going to happen and why, and give them the chance to see promises fulfilled.

#### Do's and Don'ts of Letters to Employees

We like the idea of making this letter personal. It is not printed, it is multigraphed. It is not distributed in the shop, it is mailed, first-class, to the home. It is just what it pretends to be, a letter from the head of the firm to the employee, *as an individual*.

One must not expect this letter to be a panacea. It will not work wonders, but it can do a lot of good. This letter series is a gradual process, and the first three or four may be greeted with exasperating disdain. But keep it up, and your employee will gain confidence in them as you go along. Never use the letter to express bitterness or disappointment, don't fill it up with unimportant data on new babies and birthdays, but use it as a means of telling the workman all you can about his job. Stress his opportunity for advancement and show recognition and appreciation of his contribution. That is important enough to warrant the writing of any letter, without cluttering it up with nonsense to try to prove that the boss is a good guy after all. Where the budget permits, some small firms may supplement letters to employees with an inexpensive company publication.

*The Organization Chart.* Sometimes we associate the idea of an organization chart with big business only. Suppose President Smith of the American Steel Works has to have one in order to know where all his vice presidents and plant managers are, and through what channel he ought to write an order about shipping procedures in Plant No. 2 at Omaha. If the chart is important to President Smith, it is just as im-

portant to the general manager of a small business, but possibly for different reasons. Its usefulness is twofold. It is a graphic method of defining departmental duties (and the actual job of making one up is a big help in ironing out overlaps). At the same time it shows each person to whom he reports and his relation to his fellow workers.

In this company we have carried the chart right down to include every employee. The manufacturing section is carried on a large board, about four feet by eight feet, mounted in the shop office. Each new employee is shown the board, where his name is entered and where he fits into the whole shop organization. He can see at a glance the names and duties of the men who are his new companions, the name of his immediate superior, and the channel of communications (or chain of command) right up to the general manager.

*Use of Bulletin Boards.* The average shop bulletin board has a tendency to become a vertical file for last year's directives and instructions. New notices are likely to be mixed in with the old ones and your employee will probably walk right by without giving it a passing glance. He gets tired of reading "old stuff," and no one can blame him.

No poster or bulletin should remain up for more than a week or it will have no value. The subject matter must vary, the colors must change, and the tenor of the presentation must be slightly different for each subject. Avoid monotony and hold your audience.

The small business hasn't the funds for preparing its own posters, but posters are available nevertheless. Several private concerns, as well as state safety bureaus, can furnish suitable posters with attractive glass enclosed display cases at a moderate cost. We subscribe to a continuous service, for example, which provides a large display board holding three posters at one time. Posters cover accident prevention, fire protection, personal health, waste, and similar subjects. In addition, posters of current general news interest are part of the program. Sufficient material is furnished under our contract to provide for changing the news picture daily, and the general posters twice a week. The cost of this service is \$6.00 per week, or a little more than two cents per employee.

We recently installed another type of display board which has been exceptionally well received. Believing that the employee is interested in the product he makes, we obtained photographs of the equipment at work in the field. Photos were also taken throughout the shop showing the men at work at our various production processes. Combinations of these photos show what we make, how it is made, and what becomes of it after it leaves our plant. We cannot take all the men on inspection

trips to see their work actually being used, but these pictures, combined with the customer's photographs and illustrated advertising material, make an excellent substitute.

*Employee Suggestion System.* Much has been said both for and against employee suggestion systems. Many firms are enthusiastic about the results, and others are disappointed. As for ourselves, we have had a plan in effect for a relatively short time, but we recommend the basic idea to anyone, regardless of the type of business concerned.

Perhaps some of the disappointing results experienced by others may derive from a misconception of the results that it is reasonable to expect. We installed a system, purchased attractive display cabinets, had special forms printed and for one reason only. All we attempted to do was to get the largest possible proportion of our people thinking constructively about their individual jobs. We didn't demand exceptional suggestions, and didn't promise fabulous rewards. We avoided any thought of profit-sharing and offered awards for the simplest suggestions on safety, good housekeeping and sanitation, as well as those for design changes, fixture revisions and management improvements.

The smallest award is \$2 and the largest is \$25, plus a grand prize every six months of \$50 for the best idea during the period. You may say that isn't much; the men won't bother to write down their ideas. But the fact remains that they do. We get an average of fifteen suggestions per week at present, and about one third are awarded something. That means that more than two percent of our employees are singled out for recognition every week.

All suggestions are judged anonymously. They are submitted without identification other than a number which corresponds to the number on the entrant's withheld stub. They are judged by a committee of shop employees which is presided over by a permanent secretary, appointed by the works manager. No restriction is placed on their decisions, except that \$25 awards are subject to review. It is interesting to note here that our most perplexing problem at the outset was to persuade the committee to be liberal in their awards. At the beginning of the program, weeks went by without any awards greater than \$5. On questioning, the award committee always had the same answer, "It's part of —'s job to think of those things without getting paid extra for it." Any worries we had about the committee giving all our money away were soon dispelled.

#### Rules for Suggestion System

Our own experience has led us to believe that there are several basic

principles which must be adhered to if the plan is to fulfill its purpose. The most important are as follows:

1. Give the employee the benefit of the doubt, if there is a question of originality.
2. Do not complicate the plan with profit-sharing incentive elements. It is usually too difficult to determine a fair participation basis.
3. Accept even the kernel of an idea. Engineers and technical experts can work out details.
4. Take action promptly. If a suggestion is accepted, utilize it at once so the individual can see his idea at work at the earliest possible moment.
5. Acknowledge all suggestions, whether they are accepted for award or not. Explain why, if they are not accepted, and encourage another try.
6. Keep the plan alive by continuous reminders. Posters, photographs of winners, and occasional mention in monthly letters are all useful publicity.

Let us consider the suggestion plan as another phase of our public relations program, and bear in mind that it is a simple, practical method of having information come back up the line from employee to manager; that it provides a way for the worker to make his suggestions known without unwanted argument and publicity if they are not acceptable; and that it directly or indirectly turns the mind of the employee to his job. Internal public relations is a two-way line of communication. The suggestion plan is a simple means of getting the employee to talk, which, in our experience, is the hardest job of all.

### The Employee and His Job

The pendulum of public opinion has swung a long way since World War I. The shorter workday, group insurance, adequate heat and light, and plant sanitary conditions have come to be accepted practice. Your workman or clerk is a human being first and your employee second. As such he is endowed with strange mental quirks such as all of us seem to have. He will take just as much care of plant and equipment as the manager demands, but no more. If the shops are cold, poorly lighted and dirty, why should he make an extra effort?

Your employee is a more enlightened individual than his father was, and he has found many uses for his spare time. He resents having to work 60 hours per week and won't hesitate to say so. The small business may attempt to operate on long hourly schedules, but there are danger

limits. The law of diminishing returns will soon become apparent and somebody will have to do something about it. The small business may decide that it cannot afford locker rooms, and wash rooms, and safety committees and welfare committees, but if it does without them it is making a mistake.

There is one incontrovertible fact that must guide alike the attitude of Manager Small and Manager Big. When an employee is hired, all that he can be forced to do is to be present during regular working hours. He cannot be coerced into being enthusiastic or diligent, he cannot be forced to produce more, and he cannot be regulated into being contented and cooperative. We will have to assume, if he is a normal human being, that he will respond positively to improved working conditions, a knowledge that his job is secure, and a clear understanding of what is expected of him. If he does not respond, either he has not been sold on the sincerity of the approach or he is a chronic malcontent who should be replaced.

#### Cost of a Public Relations Program

The small business must take as broad and generous an attitude in its employee relationships as its larger counterpart. Expense? It has been said on good authority that the frame of mind alone will influence the productivity of the individual as much as 20 percent. How much can we afford to pay to keep the individual employee contented, proud of his place of work, and putting his latent skill and enthusiasm into his job?

The enthusiastic employee is the goal of your internal public relations program. Set your own percentage of payroll as a budget figure. We spend about \$10,000 per year on our program, which sounds like a heavy appropriation, but when it is compared with an annual payroll of \$800,000 the reasonableness of the expense is obvious.

### EXTERNAL PUBLIC RELATIONS

#### Customer Relations

The small business may distribute its products directly at retail, it may employ a dealer or distributor organization, or it may sell directly to manufacturers if the product is ultimately consumed by incorporation into larger or more complex equipment. The grocery or hardware business is in the first group. Machine tools, radios and appliances are usually marketed through dealer organizations. Electric motors, pre-

cision bearings, castings and our own products, weldments, are ordinarily sold direct to the user because design and application must be considered with respect to each customer.

We do no advertising, and have no outside representation or dealer organization only because we have a highly specialized business. Whether or not to advertise is a highly complex question, and one that will not be discussed here at any length. It is most important as one medium of maintaining external public relations and has been used successfully by many small businesses. The personal calls of salesmen and engineers, technical papers in trade periodicals, attendance at meetings of trade or technical associations are all part of the pattern.

The object of this phase of public relations is again the transmitting of information. This time it is to the customer. If your customer doesn't know you have a product, he just won't buy it. If he has heard about it, but doesn't know it is better than anything else on the market at the price, he still won't buy it. He has to know the quality, the price, *and the company behind the product* or he won't be interested.

#### Value of Personal Contact

We feel that the best means of communication for the small business is by personal contact and by personal letter. Not just sales calls for the personal contacts, but the exchange of ideas between engineers, the trouble shooting trips of inspectors, and the discussion of mutual problems between production personnel. The small business usually cannot afford full page newspaper advertisements or the center spread in the weekly magazines. It can invoke a policy of continuous personal contacts with its customers and get the same or better results.

To clarify the method by which we maintain our own customer relations we will trace the procedure followed here. The sales manager has the responsibility of initiating contacts with a potential customer. The customer's product is first investigated in a general way, and then our engineering services are offered to explore the possibilities of the application of arc-welded construction. This opens the way for discussions between our chief engineer and the customer's technical staff.

After details are ironed out and a contract is made we maintain continuous communication thereafter. We send our inspectors to the customer's plant to make certain the parts we furnish are satisfactory to the men who use them as well as to the purchasing agent. Our engineers make frequent trips to submit new ideas to reduce costs or improve the product. The sales manager calls at each customer's executive offices at least twice a month to discuss the progress of the contract and to sug-

gest further application of the service we render. By following this procedure, we keep our direct sales costs at a figure of less than one percent and keep all our departments informed through direct contact with the customer.

### Relations with Shareholders

There is one phase of public relations in which the small business has a distinct advantage. The number of shareholders is usually small, and many of them will probably have an active part in the management. There will be little need for circular letters, printed balance sheets, or reports to stockholders. The interest of the individual shareholder is probably quite personal and his continued participation in the affairs of the company can prove to be a great asset.

When a new small business is formed, it is a most fortunate circumstance if the prospective shareholders are qualified to take part in the business, either directly or indirectly. Established businessmen who can lend their assistance to the newcomer can render services which are quite as valuable as their capital investment. The manager of the small business will be well-advised to keep in close touch with his shareholders and directors and maintain an active interest over and beyond occasional dividend payments.

### The Small Business and the Community

Whether a company be large or small, its reputation in the community is important. The most satisfactory labor market is usually the nearest one, so the plant must be known as a "good place to work". It is a common theory that family relations are poor business relations, but we do not find it so at the wage-hour level. Father and son teams, brothers and in-laws without end seem to thrive here and apparently with good reason. After all, pride in workmanship is an inherent trait. If one member of the family has it, another one probably will. It is not a hard and fast rule by any means, but it works well enough so that we always pass the word around the shop when new help is needed and give the family angle the first try.

Participation in community activities is an excellent builder of good will. Local bowling leagues, baseball leagues and other sporting events should be patronized. The Service Clubs, Chamber of Commerce and Community Chest should find members of your small business on their rosters. The local schools deserve the support of the business. The factor of civic interest should not be overlooked because much of your local reputation depends upon it.

## CONCLUSION

We have attempted to outline the possibilities open to the management of a small business by careful attention to its public relations. Approaching the problems of management from any angle, we find that their solution, at least in part, can be more readily achieved through the application of some fundamental principles and techniques.

If your employees know what is expected of them, and have confidence in their leadership, half the production battle is won. If, further than that, they sincerely believe that their superiors really and honestly have the employees' best interest at heart, the rest is easy. The manager of a small, but rapidly growing business is perhaps most likely to neglect these little contacts with the employee—not deliberately, but because he has persuaded himself that he is too busy. He thinks he is too busy, but the employee, who "knew him when", just thinks he has gotten a big head.

One of the finest things about the very small business is the close co-operation and mutual understanding possible among the few people concerned. To maintain that *esprit de corps*, that vital personal interest, is the most difficult problem facing the management of a growing company. We do not pretend to offer cut-and-dried solutions which will be applicable in every instance. We have set down the more important parts of our own program, which have brought about good results, with the hope that they may stimulate others to try them and modify them to meet their own situations.

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### Editors' Note

The principal handicap to sound public relations operation among the smaller companies is widespread misunderstanding and prejudice in the minds of management. Too often it is stubbornly assumed that public relations is an involved, technical and costly process profitable only to large corporations. Too often, too, management in smaller businesses honestly believes that public relations problems are inherent only in mass operations.

Absentee ownership is about the only public relations problem peculiar to big business. Little business has the same opportunity as General Motors to profit from increased employee morale, worker co-

operation, community confidence, customer acceptance and a general reputation for integrity and craftsmanship. Smaller business can reach the sources of public relations problems more directly and personally. That is its primary advantage over big business.

Every business, big or small, has public relations problems which are improving or worsening every day. Small business is just becoming aware of this fact. A recent survey conducted by *Public Relations News* revealed that literally thousands of small and medium-sized companies are establishing public relations departments, assigning the public relations function to one executive or retaining outside counsel. Many are doing all three.

### Public Relations Training Essential to Executives

The successful managing executive today must have public relations training and experience regardless of the scope of his operations. If proof were needed to support this statement, one could point to dozens of men who have recently been elected presidents or chairmen of corporations (see pgs. 18 and 19) because of their ability as public relations executives, and usually in spite of less knowledge of the other functions of management.

This knowledge and experience on the part of a managing executive is essential today even if the corporation does maintain a competent public relations department, retain outside counsel, or both. These professionals cannot function adequately unless plans as well as policies stem from management thinking.

### Learn from Big Business

Public relations as a management function is relatively new. Until recently only the largest corporations could afford the research and the trial-and-error experimentation necessary to establish procedures. Today much of that experience and knowledge is available to the small business executive who wants to study and profit from it.

Publications exclusively reporting news and developments in the public relations field for executives act as clearing houses for this information. On the national level, trade associations and civic and educational institutions include a constantly growing volume of public relations information in their reports and bulletins.

For basic information on the development of public relations techniques and procedures a number of dependable books are available, (see Bibliography, page 617) courses are being given by educational institutions (see page 16), and clinics are being operated by public

relations associations and by many trade associations. A detailed list of information sources on the subject of public relations for the modern executive will be found in Chapter XVII.

### Use Professional Help

Every corporation with 50 or more employees has occasional if not continuing need of consulting service in the field. A number of consultants are developing special services for smaller business at modest fees. If these cannot be afforded as a continuing activity at least they should be called in for check-ups and when professional advice is required on some project. For instance, not one management executive in a thousand is equipped to write and produce an employee indoctrination booklet that will interpret involved policies in simple terms and appeal to the personal interest of the employee without condescension. Much the same is true of the installation of the suggestion system, the initiation of an employee publication, and even the production of a good annual report.

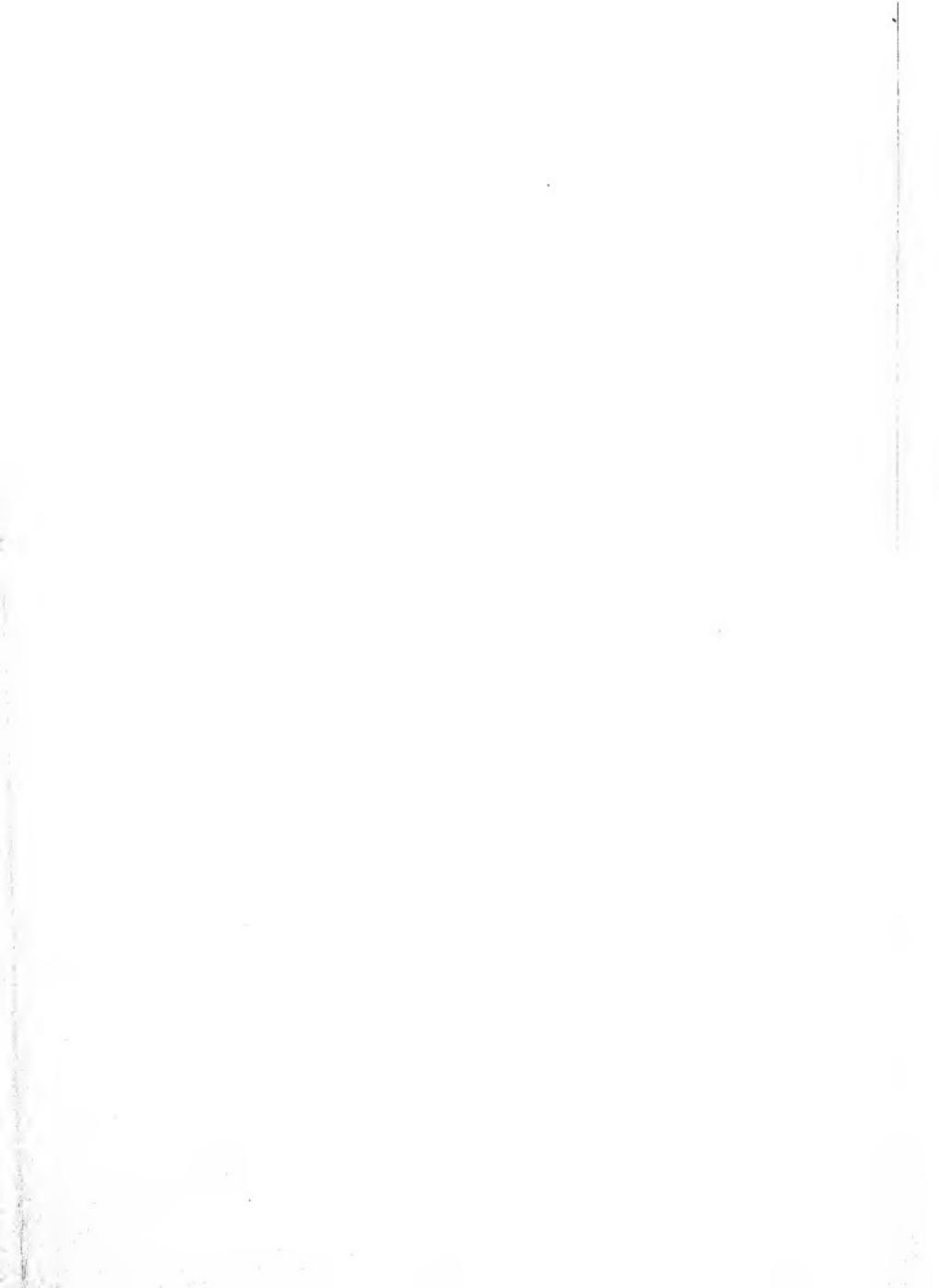
In the rapid development of public relations as a management function, basic principles and practices have been established. The important thing for management to learn is that application of them is universal regardless of the size of the company. Principles that are sound for United States Steel are just as inviolable for a small manufacturer. Furthermore most of the techniques evolved by big business can be adapted to medium-sized and small businesses.

Public relations problems are usually identical except for proportions. This is true not only in manufacturing but in education, religion, social and civic welfare and in every field of human endeavor. Prescriptions are usually the same. The main difference is in dosage.

—G. G. and D. G.

*Part II*

ORGANIZING TO USE  
PUBLIC RELATIONS



# QUALIFICATIONS FOR PUBLIC RELATIONS MANAGEMENT

BY PENDLETON DUDLEY  
President, Dudley, Anderson & Yutzy



T

HE SPECIALIZED OPERATING

procedures and techniques necessary to the handling of present-day business organizations were an accompaniment of the industrial revolution that got under way in the United States shortly after our Civil War. But it is an interesting fact that the public relations function, as a necessary aspect or procedure of business, did not receive recognition until much later. The Bell telephone organization and several of our railroads and steamship lines had set up special press departments shortly after the turn of the century, but not until 1914 did the new profession begin to assume its true outlines. In that year John D. Rockefeller, Jr., invited the late Ivy L. Lee to become a member of his personal staff, thus in effect creating a public relations department for Standard Oil.

Although he was still a young man, Mr. Lee's career up to that time

had been somewhat unusual. He had been a successful newspaper reporter and magazine writer, had prepared several important political documents for a national political campaign committee, and for a short time had been the director of information for the Pennsylvania railroad.

As a friend of several years' standing he told me one day something about Mr. Rockefeller's ideas of the new work. In effect, Mr. Rockefeller had said that most men of extensive business interests usually experienced difficulty in keeping step with the people, and that one of his greatest needs was to have closely associated with him someone who by training and natural aptitude was not only sensitive to public reactions and attitudes but able to reflect them accurately to his principals.

Mr. Rockefeller had assured Mr. Lee that he would not find it necessary to spare anyone's feelings but would at all times be expected to report the facts exactly as he found them. The move made by Mr. Rockefeller has been repeated many times since throughout business, industry and finance, and, indeed, in all other areas of organized human endeavor.

#### Top Management Chosen from Public Relations Ranks

Public relations is now recognized as an indispensable tool of management in production, distribution and finance. In the last few years top executives have been chosen largely, and sometimes exclusively, because of their understanding of and their competence to handle human problems. Public relations experts are being made members of boards of directors, presidents and chairmen, because their specialized skills are urgently needed today in executive management and policy making.

When A. W. Peake, who had international fame as an oil technician, was elected president of Standard Oil of Indiana, the traditionally conservative directors, in making the announcement, said that he was chosen primarily because of his skill and experience in handling human problems.

Joseph L. Egan, former vice president of Western Union in charge of public relations, was made president because the principal problems of the corporation in the years ahead were recognized to lie in that area. Eric Johnston succeeded Will Hays as president of the Motion Picture Association at a salary of \$150,000 a year, not because he had been president of the U.S. Chamber of Commerce, but primarily because he had demonstrated a rare capacity for building sound public relations on a national scale.

Here are some similar examples of men and women who, because of

their experience and background in public relations, were chosen for top positions in management:

Paul Garrett, Vice President, General Motors Corp.

Paul Milliams, Vice President, Commercial Credit Corp.

Arthur Wilby, Vice President, U.S. Steel Corp.

Walter J. Thompson, Vice President, Buffalo, Niagara & Eastern Power Co.

Charles Hardy, Jr., President, American Car & Foundry Co.

G. K. McCorkle, President, Illinois Bell Telephone Co.

Kinsey Merritt, Vice President, Railway Express Co.

Hazel Ferguson, Vice President, Butler Brothers.

### Today's First Executive Responsibility

Wartime demonstration of the power and usefulness of public relations doubled and trebled management salaries in the field. It brought universal academic recognition, and resulted in vast expansion of the function in almost every field of human endeavor. All these developments have served to dramatize the obligation imposed on every executive, regardless of his function, to learn how to use public relations and how to choose and direct competent personnel to perform this function. The urgency of this need is implicit in the fact that the postwar period found us with blueprints for a fabulous expansion, every aspect of which called for public relations treatment. We are still woefully short of adequately trained personnel to perform the function and sufficiently experienced executives to manage it.

This chapter is intended to serve a dual need: (1) to assist management executives in the selection of public relations personnel, and (2) to help public relations men evaluate their own work.

There can of course be no hard and fast rule as to who should execute the public relations function, or how it should be done. Those decisions will depend upon the size and nature of the operations of the organization, the problems inherent in it, the speed with which those problems must be solved, and the experience and aptitude of management itself.

### New Concept of the Function

You are the executive head, shall we say, of a manufacturing organization and are thinking of engaging a public relations director. In earlier times you doubtless would have thought of him as your press agent, or possibly as your publicity director. But because today we have a better understanding of the nature of this aspect of business

operation, we have sought a more truly descriptive term for this function, and have found it in "public relations director."

Your aims, we may assume, are primarily to have the people in your community think well of you and your company, to win a measure of acceptance on the part of certain special publics, and lastly, as you devoutly hope, to gain some degree of recognition on the part of the general public.

Your chances of achieving these results, that is of transforming the solid reality of an aggregation of brick and concrete structures located down by the railroad tracks and filled with whirling, clanging machinery, into a popular mental image having some hint of a warmly human appeal are better than you think. And those are the things you *must* achieve, if you are to continue to survive and prosper.

Henry Ford did it yesterday and his grandson is doing it today. Theodore N. Vail did it for the telephone company, and his successors are continuing the good work. Robert W. Young is making a good stab at it for his railroads, the orange growers are doing it, so are the meat people, and a long list of producers of commodities and services of many kinds. Success in this area is not limited to big business alone. Some of the most conspicuous examples of accomplishment are evident among small and medium-sized businesses.

Of course the signal successes obtained in these instances may make it appear that some persons are born with a special public relations sense. In a measure this is doubtless true, but industrialists lacking that talent have succeeded equally well by hiring competent men and women to do the job.

#### Who Guides the Public Relations Program?

In some cases highly successful programs have been directed by the president, sometimes by a competent public relations director or by a vice president or other executive performing the function, and sometimes by good outside counsel. But in any event the man who has the direct responsibility for planning and executing a public relations program must have a rare combination of talent and experience.

#### Personal Qualifications

The directing head of any public relations effort must first have management ability. He must have the capacity to teach and to lead; he must be an extrovert in his thinking.

There are many reasons why management ability is essential. The small departments of today will grow and most of them will be the big

departments of tomorrow. Since public relations is being tied into every operation of a corporation, an understanding of the management problems of every department is required. And since the function is new, policy decisions are required far more often in its operation than in any other aspect of organized effort.

The public relations executive must be a natural student. Philosophy and procedure shift rapidly and will require close and constant study. The ablest practitioner must learn as he goes. Fortunately, new sources of public relations information and clearing-houses for the exchange of methods and procedures are developing rapidly.

Perhaps the most important requirements are the gift of human sympathy and understanding, a rare mixture of integrity and courage, and a warm and genial personality which invites confidence while expressing conviction.

As to age, the ideal choice would be as young a person as possible who possesses intellectual maturity, sound judgment and the qualities of leadership.

An effective public relations man must be a prolific producer of new ideas, able to think and act in emergencies and agile in meeting shifting forces. The curse of corporate public relations has long been the sluggishness of policy-making management and the dilatory tactics of those who must make decisions. A public relations move may be worth a million dollars today and be altogether too little and too late tomorrow.

#### Academic Background

There are no dependable rules as to academic preparation. Many colleges are offering courses in public relations but few of these are comprehensive enough to give substantial preparation for executive responsibility in the field.

A college degree is not essential, but it or its equivalent would be helpful. On the other hand, no profession demands as broad a background of knowledge and culture as this one. A working knowledge of economics, psychology and political economy would be sound equipment. The public relations executive need not be an economist, but he must have an intimate acquaintance with the philosophy and economics of business. A student of the social sciences will find wide application of his findings in public relations work.

An analytical mind is a must. An able public relations practitioner will demand facts before making a decision. He will know where and how to find facts.

### Training and Experience

Rules as to training and experience are equally flexible. It has been almost an unwritten law that a beginner in the profession must have been a newspaper reporter. While some of the best men in the business never saw the inside of a newspaper office, it is still true that no single professional experience gives sound preparation as rapidly as editorial work on a newspaper or a business publication.

This is not because newspapers teach reporters public relations practice. It is because no reporter can long succeed without learning how to get along with people, how to inspire confidence, and how to interpret miscellaneous information. The reporter from his first day in the newsroom has had drilled into him the importance of finding out what, how, when and why. Unconsciously the reporter is trained in the business of appealing to and convincing thousands or perhaps millions of people with every line he writes. The business paper editor has the added advantage of learning how to discover and interpret truth in the light of economic as well as social considerations. This is valuable training to bring to a career in public relations.

When the selection of a publicity or public relations director is indicated, the chances are very good that the choice will be a former newspaperman. Although the true figures are not available, it can be stated with assurance that a majority of the thousands of those now performing public relations functions were formerly newspaper reporters or persons who have worked in other capacities in the publishing field.

### Business and the Press

There is another reason for the prevalence of former newspapermen in public relations. A liaison between finance and the press is a tradition of many years standing, dating to the period when the financiers and other builders of our present-day corporate organizations were assembling these properties out of selected groups of small independent companies. Inclined by necessity to operate with speed, and by nature only slightly concerned for the social implications of their work, they nevertheless found that since the merging of biscuit companies, steel mills, copper mines, et cetera, involved Wall Street, and Wall Street meant news for the ticker and the financial pages of newspapers, some emission of factual and other informational data was necessary.

Accordingly certain of these tycoons found it advisable to make themselves accessible to favorite newspapermen and to give them in-

formation for use in the publications which employed them. Quite naturally this alliance developed to the point where the need for a formal working relationship with newspapermen was indicated. Accordingly, some of the latter resigned from their newspaper jobs to become spokesmen for these businessmen—in effect, their public relations counsel.

And then there came the time—it was about 1910, or possibly a year or two earlier—when one or two of the bolder and more imaginative of these public relations counsel took the important step of opening their own independent offices to serve more than a single client, somewhat as a lawyer does.

The great significance of this step in the development of mass communication has been largely overlooked. Here, for the first time, we have an individual acting as a private agency, and for a fee to be paid by a special interest, presuming to set himself up as a intermediary between the newspaper and an important source of its news.

The arrangement received friendly acknowledgment. There was a dawning recognition of the importance of authentic business news and financial news, and an awareness of the fact that the difficulties of gathering this material were so great that its adequate treatment and handling justified an unprejudiced acceptance of this new form of service. This development has now become a basic part of news gathering and dissemination.

Although the organism of communication has expanded to include the radio, the moving picture and other media, businessmen are still accustomed to look to the newspaper field and the press associations as being the best training schools for public relations management.

But whether he has been exposed to journalism or not, the public relations executive must be able to write clearly, concisely and convincingly. The ability to talk on his feet and persuade more than one man at a time is a helpful attribute.

#### Other Helpful Experience

Experience in teaching, advertising, selling or promotion all add to a valuable background. Each is based on the art of persuasion, and that of course is the fundamental of all public relations.

Any experience in business is helpful, but the most direct road to the management of public relations operations is experience in public relations itself. This may be had in a public relations department, in the office of a public relations consultant or in the job of assistant to any executive who is charged with public relations responsibility.

Regardless of how appropriate the natural instincts and academic background of any individual, proficiency is best gained through actual experience by the trial-and-error method.

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### **Editors' Note**

A good rule in choosing the man who is to be head of the public relations operation of any important organization is to be sure he has the knowledge of human relations that he would need should he ever become the chief executive officer. There is a definite tendency to recognize that public relations is one of the most important if not the most important function of management and to choose managing executives from the public relations ranks.

Public relations, like medicine, is a profession of widely divergent areas and specializations. Probably no man is completely proficient in all aspects of the field. The small organization will have need of the equivalent of the general practitioner in medicine. The large organization will hire a competent executive director with general over-all knowledge and experience and he will choose a staff of specialists. If the staff numbers not more than half a dozen, it is possible—and it should be the earnest endeavor of management—to find among them men who have had special experience in the basic areas, such as relations with employees, communities, customers and prospects, stockholders, educational institutions, government, the various media of communication, and public opinion measurement.

### **Quality of Directing Head Most Important Factor**

The first and all-important step is to find the executive who will be in charge of the whole operation. He must not be a yes man. He must be able to base his judgments on provable facts and have the courage and integrity to defend his judgments against the immature prejudices and opinions even of top management. On the other hand, he must have high qualities as a diplomat and the ability to recognize that he is a teacher rather than a crusader.

He must be innately a student and an analyst. If he comes to the job with all the answers, he was selected in error. The one indispensable qualification of such a man must be his affection for and his understanding of human beings and the ability to interpret every decision in terms of the natural human reaction to it.

It goes without saying that he must conspicuously stand for the highest standards of ethics and integrity. Business is always on trial before the court of public opinion. A public relations officer whose every act and attitude bespeaks an understanding of and a regard for public welfare is a priceless asset to any organization.

### Women in Public Relations

Thus far we have used the masculine pronoun in discussing the qualifications of an executive in charge of public relations. Practically all that has been said would apply with equal force to women. In some organizations and in the solution of some public relations problems a trained and experienced woman might have more to offer than a man. Some corporations and organizations have more dealings with women than with men and are more concerned with the feminine than with the male attitude towards them. Here a woman often has a distinct advantage. In any event, many organizations have already proved that a woman, given the same experience and personal attributes as a man, can do an equally good job and is entitled to the same rank and pay.

There are scores of examples of outstanding accomplishment by women in the public relations field. Here are a few:

Hazel Ferguson, Vice President in Charge of Public Relations,  
Butler Brothers, Chicago.

Mabel Flanley and Sally Woodward, partners in the consulting  
firm of Flanley & Woodward.

Caroline Hood, Public Relations Director of Rockefeller Center,  
Inc.

Pauline Mandigo, President, Phoenix News Bureau.

Julie Medlock, Public Relations Consultant.

Ruth Maier, Assistant Vice President in Charge of Public Relations,  
Pepsi-Cola Company.

Dorcas Campbell, Assistant Secretary and Public Relations Di-  
rector of the East River Savings Banks.

### Labelling the Job

In choosing the person to execute the public relations function, management nowadays is likely to be beset by doubts as to the best title for the office. Many management executives have long thought of public relations as being akin to press-agency and so search for new titles. These doubts are so widespread that executives responsible for the function bear such labels as:

Vice President in charge of Public Relations	Assistant to the President
Director of Information	Executive Director
Director of Training	Promotion Director
Director of Public Information	Assistant Vice President
Director of Publicity	Public Relations Manager
Public Relations Officer	Chairman of Agitation, Publication & Education (title used by Communist Party)
Director of Public Service	Public Relations Director
Publications Editor	

Disparity of title leads only to confusion and does nothing to dispel the public misunderstandings which management fears and which for the most part do not exist. Able men in management as well as in public relations have done more to win public understanding and regard for public relations in the last three years than in the previous thirty. The most important contribution any organization can make towards improving the public attitude is to frankly label the executive in charge of the function, public relations director, and help him do a job that will encourage respect and confidence.

Any tabulation of the academic background, experience and characteristics desirable for a perfect public relations director is largely theoretical. *Public Relations News* has developed one which makes no claim to scientific accuracy but can be used as a yardstick in measuring qualifications for public relations management.

### PUBLIC RELATIONS I. Q.

Use this test to measure qualifications of public relations career aspirants, to help select public relations personnel, or as a yardstick for determining your public relations strengths and weaknesses. Score 2 points for every "yes" you get in Column I (Personal Characteristics). Score 1 point for each "yes" in Column II (Academic Background). Score points as indicated in Column III (Experience).

#### I—Personal Characteristics

*Do you have these qualities?*

Leadership	(2)	Interest in people	(2)
Moral courage	(2)	Studiousness	(2)
Intellectual honesty	(2)	Friendliness	(2)
Extrovert thinking	(2)	Inspire confidence	(2)

Emotional stability	(2)	Executive ability	(2)
Creative mind	(2)	Wide culture	(2)
Quick thinking	(2)		
Sound judgment	(2)	Total-Personal	
Intellectual maturity	(2)	Characteristics	

## II—Academic Background

*Have you had college or equivalent study of the following subjects?*

Public relations	(1)	Commercial law	(1)
Economics	(1)	Industrial relations	(1)
Journalism	(1)	History	(1)
Philosophy	(1)	Commercial geography	(1)
Public speaking	(1)	Semantics	(1)
Cultural subjects	(1)	Business administration	(1)
Psychology	(1)	Graphic arts	(1)
Social science	(1)	Publicity	(1)
Political economy	(1)		
Advertising	(1)		
Research	(1)	Total-Academic	
Radio	(1)	Background	

## III—Experience

*Have you had training and experience in the following fields?*

PR agency	(2)	Television	(2)
PR department	(2)	Commercial art	(2)
Reporting	(2)	Graphic arts	(2)
Editing	(2)	Commercial motion	
Advertising	(2)	pictures	(2)
Selling	(2)	Research	(2)
Teaching	(2)	Public opinion polling	(2)
Management	(2)	Personnel	(2)
Social service	(2)	Politics	(2)
Promotion	(2)		
Publicity	(2)	Total-Experience	
Radio	(2)		

Total I—Personal Characteristics =

Total II—Academic Background =

Total III—Experience =

PUBLIC RELATIONS I. Q. =

62      **QUALIFICATIONS FOR PUBLIC RELATIONS MANAGEMENT**  
          —**EDITORS' NOTE**

Don't expect a high score; 66 to 70 is good; 71 to 75 is exceptional; 76 to 80 is phenomenal; 81 to 85 is practically impossible; 86 and up is too good . . . better check again; 61 to 65 is fair; 36 to 60 shows possibilities of development; 35 and under promises nothing . . . better give up the idea.

\*      \*      \*      \*

Helpful suggestions as to the qualifications of competent public relations personnel will be found in Chapters I, V, VI, VII, XXX and XXXIII.

—G. G. and D. G.

# HOW TO ORGANIZE AND OPERATE A PUBLIC RELATIONS DEPARTMENT

BY CONGER REYNOLDS  
Public Relations Director  
Standard Oil Company (Indiana)



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HE EASY APPROACH TO ANY study of how to organize a public relations department is to consider first a small department—of two persons, say, a public relations man or woman and a secretary. Claude Robinson, President of Opinion Research Corporation, found 82 percent of the corporations he chose for study had already departmentalized their public relations activities.

Let us assume that the corporation or institution to be served has never before had anyone specializing in public relations. Where will the new department fit in the organization? Who will man it? What will it do? When we answer these questions, we will have the fundamentals of organizing the activity, whether on a small or large scale.

### Define Its Place in Management

In every organization that has any contact with groups of people nearly everybody does something that affects its public relations for

good or ill. Some do much more than others. Ordinarily the responsibility for effects on public good-will grows larger as we mount toward the policy-making and decision-making levels. The clerk in the store meeting the public face to face has great responsibilities, but the directors of the store have still greater ones, because the decisions they make can settle in one moment actions to which thousands of customers will react either favorably or unfavorably.

For this reason the public relations department is naturally a staff department. It must be close to the source of policy and decision. As will be brought out presently, public relations work is little more than press-agency if it is confined to publicizing the institution without attempting to create within the institution itself a better understanding of public attitudes or without attempting to inspire policies and practices that will correspond to the public's conception of good social behavior.

The ideal place for the department is usually under the immediate direction of the chief executive. Inevitably he is the principal decision-maker and the principal spokesman for the whole organization. Whether he has a public relations department at his elbow or not, he himself will do many things that will be essentially public relations activities. What the public relations department does must at all times be carefully coordinated with the administrative or management position and with intentions known and understood in their entirety by the chief executive and his board of directors.

Obviously the department can be made answerable to the executive vice president or to any member of the policy-making board or the administration and still function approximately as well as when it reports to the chief.

Many such departments do not today find themselves in the ideal location. This is usually because they have developed through enlargement of simple promotional publicity activities or have been born as an aid to some executive with the breath of public indignation hot upon his neck.

A study reported recently by the Association of National Advertisers showed many combinations of advertising and public relations work. In some instances advertising was under the director of public relations. In still more instances, public relations or something which went under that name was under the advertising manager. Paul Garrett, vice president in charge of public relations for General Motors, shows eight variations in placement of public relations in his company's divisions, with the department reporting variously to the general manager, the

advertising agency, the assistant to the general manager, the plant public relations committee, the personnel manager, the sales manager, the advertising manager and the merchandise manager. As Mr. Garrett intimated, the best placement in that list is directly under the general manager.

In organizations that are dependent upon public favor to a high degree, the department is usually a top part of the staff with its head on the board of directors and often a vice president. Claude Robinson found public relations in the hands of vice presidents in 28 of 116 companies studied in 1946. The title was "director of public relations" in 37 other companies. There have been some notable instances, as in the case of Joseph L. Egan of Western Union, in which the public relations specialist has become chief executive of the company. There have been several other notable instances, as in the cases of Lewis Brown of Johns-Manville, Cloud Wampler of the Carrier Corporation, and Fred Crawford of Thompson Products, of the chief executive being for all practical purposes himself a specialist in the public relations branch of the company's activities.

### Choose the Right Director

To head the public relations department, a special type of individual must be sought. The ideal man is a rather rare kind of introvert who can, despite his natural tendency to withdraw within himself, yet be an extrovert when occasion requires. He must be an introvert first of all because he must be a thinker, a cool analyzer, and preferably a highly capable writer, and if he can express himself skilfully through the spoken word, that will be an added qualification.

Public relations work calls for much writing of reports, analyses, scripts, speeches, articles, releases, etc. It is for this reason that so many public relations men are taken out of newspaper offices, where they have learned under stern discipline to gather facts and get them expressed comprehensibly—but fast. In the small department, where the head himself will do most of the creative work, it is particularly necessary that he be a writer. To be sure, in some organizations today the head of public relations is a man without any particular capacity of his own for writing. But the size of his organization is such that he can employ writers.

The public relations man must be warm in his human sympathies, or he will not competently judge and interpret public opinion and reaction, will not know how to approach his publics tactfully. Obviously, he must be well educated—either have a good college education or be

capably self-taught. Tests have demonstrated that it pays to go back into scholastic records when choosing a man and pick the fellow who made A's and B's and yet managed to be a leader in college activities.

His experience should preferably have included some work as an assistant in a public relations department or as a publicity man, before he attempts to head a department. It takes a newspaperman or educator or anyone of other experience several months to a year or two to adjust himself to responsibility in public relations work. Experience in other fields can be very useful. For example, it is quite desirable that the man know something about business management and accounting, law and the courts, the inside of politics, governmental functioning generally, the way associations work, and of course the arts, radio, printing and publishing.

Such a man is not hired for peanuts. As of the time this is written an organization should expect to have to pay \$7,500 to \$10,000 a year for a man of barely sufficient attainments, \$10,000 to \$15,000 for a really good man, and \$15,000 to \$25,000 for a superior type. The brilliant stars will cost more, but they would not be sought for the small department.

Assistants should naturally have characteristics similar to those of the head, though briefer experience may be sufficient in their cases, and if they are to handle some special phase of the work, deficiencies in capacity for other phases of the work may not be a bar to their employment. For example, a man who is to spend all his time on contact work need not be a good writer himself if the department is equipped to provide well written material for his use.

### FUNCTIONS OF THE DEPARTMENT

Once fitted into the administrative staff, what will the public relations man do? Two public relations men killed time in a hotel room in Atlanta one night writing down the separate and distinct activities they were carrying on. They reached number 67 before they tired of the game and went to bed. An even larger list can be made, depending on how extensively one subdivides. For this manual, however, we had better stick to fundamentals. The functions of the department can be stated on that basis, if we wish, in only two sentences:

1. The department should convey and interpret information about public attitudes and reactions to members of the organization it serves.
2. It should convey information and impressions about the organization to the public or to individual "publics."

- Too many departments perform the second function only and that too narrowly. Keep in mind that the purpose of public relations activity is to bring two parties together. It may be, and often is easier to move the organization toward the public by causing it to understand and respond to public will than it is to make some questionable policy or practice understandable and acceptable to an all-powerful public.

### What Says the Public?

Consider the first function, the gathering of information from the public and its distribution within the organization. This activity involves extensive reading of books, magazines, trade journals, newspapers, etc., in search of bits of information pertinent to the activities of the institution. It involves establishing listening posts elsewhere in the organization, where the murmurs of public approval or disapproval, demand or rejection, can be picked up and relayed to the department. Of invaluable assistance in obtaining real information as to public attitudes on current questions are public opinion surveys, the new and scientific means of finding out what the public really thinks on any question or issue. The old rule-of-thumb methods of making educated guesses on the basis of personal observation and personal conversations with representative persons must also be utilized in many instances.

Information gathered in these and various other ways must be reported and interpreted to officials or executives in the institution who are in position to take it to heart. Even the one-man department can make up a daily collection of news clips, letters, memoranda, etc., and route it to members of the management group. Larger departments can prepare careful digests and analyses of published information and hearsay and put them on the desks of executives every day for their orientation regarding the drift of public opinion and attitude.

### Presentation of Public's Point of View

The public relations man must be a kind of conscience for the organization. He should consider how any step about to be taken will be regarded by the public and give as wise counsel as he can with a view to guiding decisions. Others involved in shaping policy or taking action may be too narrowly concerned with achieving certain specific objectives to give enough thought to public relations aspects.

This is not an altogether enjoyable part of the job. It may make the public relations man seem to his superiors or associates a starry-eyed idealist, a thoroughly impractical person. It may even cause his superiors to question whether he is really trying to help them achieve their main

aims. Yet in a democracy which demands of every institution of business, education, philanthropy, or government a high degree of concern for the public welfare, in a land in which the social grace of regard for the public interest is a distinct element in achieving longevity and success, a fight for the public's side of any question is often a desirable course in the long-term interests of the institution itself. But when the policy-making authority has made the decision, it becomes his duty to make the best of the situation like a good soldier, whether it fulfills his specifications for the ideal or not. Or he can take his rag dolls and go home.

### Projection Upon the Public Mind

The multitudinous things the public relations department does to publicize or interpret the institution are covered in considerable detail in other chapters of this manual. Public relations men speak of them in general as "telling the story." They may be classified as the things the department itself does directly and the things it encourages others to do. The first may include preparing material for speeches, radio broadcasts, books, pamphlets, memoranda, letters, press releases, magazine articles, institutional advertisements, and other forms of the written word which are the necessary basis of nearly all attempts to reach the public mind. Then there is the work of getting the basic material into physical forms for suitable distribution and seeing that it is placed in the right hands. Here begins what public relations men know as contact work with the various media of communication through which masses are reached.

### Working Through Many Others

One of the principles of public relations work that is too little understood is that it can only be successful on a mass basis if undertaken on a mass basis. The individual public relations man or small department can make but a tiny dent in the great mass of public opinion by working alone. The way to make a real and lasting impression is to work through many others. Creation of a public relations department should not be a signal for others in the organization to cease their own public relations activities. Rather, their efforts should be intensified with the careful assistance of the specialist in the subject. This point was spectacularly dramatized to General Motors executives by Paul Garrett by means of charts which showed the people connected with the company to be the great medium of communication between management and people. The most striking point in W. Emerson Reck's book on public

relations work by colleges is his stress on the use the administration can make of faculty, students, and alumni to cultivate better relations for the institution.

The nature of public relations work is such that most people like to do it. When inexperienced, they may be hesitant to undertake it, but with a little encouragement, guidance, and assistance from a public relations department many become ready and valuable co-workers in the task of building good will. Naturally the public relations man concentrates on working with those who have the right knack for selling the company's story to the public. But nobody's willingness to help should be neglected. The public relations man can serve much better by providing material and making arrangements for speeches by a score of others in his organization than he can by devoting the same amount of time to making the speeches himself.

#### Associations and Social, Civic and Welfare Groups

One of the big public relations tasks for any organization is to play the part of a good citizen in working for the benefit of society as a whole. This is best done by participating in the activities of associations of commerce, community welfare societies, better citizenship groups, and a thousand and one more. This type of public relations activity is usually carried on by officers, managers, and others who are by rank qualified to represent and to be spokesmen. The public relations department, though often doing representation work too, serves chiefly to handle the details of writing letters and speeches, conducting correspondence, planning ceremonies, making arrangements, helping to raise funds.

#### The Planning Board

In medium-sized and large public relations organizations there are advantages in having frequent staff conferences and also occasional planning or discussion meetings with the policy-making executives. "Many minds, many thoughts" is a good principle in public relations. It seems sometimes a time-wasting process, but if properly managed it causes important information and plans to be viewed from a variety of angles, and action decided upon to be the broad-gauge type that comes from a combination of good ideas. There is probably too little conferring between public relations people and the executives with whom they work. Such conferences should bring about a better understanding of what the public relations people are doing and save their time for the work in which they will have full support at all stages.

## RELATIONSHIP TO OTHER DEPARTMENTS

In the business organization particularly, there are certain other departments with which the public relations department has specially close relations.

*The relationship between advertising and the public relations function* is not always seen alike by specialists in the two fields, but their views are more or less agreed on these points: (1) that advertising of products and merchandise in space or on time that is paid for is distinctly an advertising function, more closely related to sales than to public relations work, and, (2) that when advertising undertakes to create understanding of the institution itself, its personnel, its practices, and its policies it either becomes a public relations activity or one requiring close coordination with the public relations activities.

Public relations men regard advertising as one of the tools they should use. Advertising men say that it is nevertheless still advertising and can best be handled by advertising men. Advertising is of course much older as a specialization than is public relations. It has become rather definitely settled as a sales department subdivision. This has some tendency to limit any public relations activity conducted as a part of the advertising program to promotion or publicity about merchandise. Such promotion is far from being a full program in public relations. It is, in fact, one of the most criticized and questionable phases of public relations activity. Certainly in a large organization the public relations department is better off separated from advertising, free to utilize many tools and many media for many purposes besides those of promoting sales. But its activity should be coordinated with the advertising department's so that both can be mutually helpful in sharing the skills and facilities which they usually possess in common.

*The industrial relations or personnel department* is another with which there must be close coordination. "Public relations begins at home" has become a maxim. No institution can hope to sell itself to the public if it is not able to convince its employees that it is a good institution and that their jobs are worth having. Those in charge of employee relations must first see that workers receive fair treatment. But workers must also *understand* just how fair the treatment is. Here is where the public relations department can help by telling employees, through employee publications, bulletins, letters, annual reports, and other media the facts of the institution's life and its attitudes toward its workers. A step farther in enhancement of public relations activity takes

place when the personnel division and the public relations department work together to make every employee a partisan of his institution's cause in his every contact with his friends.

*The secretary of the company* or institution is usually a main point of contact with stockholders, owners, or supporters. Through him and his office, or in cooperation, the public relations department will logically work to make them also workers in the vineyard of good public opinion.

*With the law department* there must be close liaison in regard to litigation and legislation and relations with government. Fortunate indeed is the public relations man who can persuade the company's legal counsel to anticipate the filing of suits and have suitable statements ready for the day when the news of them breaks. The cautious inclination of the lawyer under such circumstances is often to comment only that a suitable statement will be made at the proper time and in the proper place. Many an institution has been damned in print by accusations which have been answered in due time in court, but which have remained unanswered in the minds of many who never saw any reference to the case in the public prints except the first one. Education of law departments as to the necessity of much faster action in the court of public opinion than they take in the law courts must be one of the aims of a public relations program. The public relations department must in turn look to the law department for sound advice in order that hastily prepared statements with too narrow an objective of building good will may not work against other good purposes.

Some public relations departments are charged with the responsibility of making *contacts with legislators or other public officials* in regard to legislative proposals or existing statutes and regulations. These contacts are more generally handled, however, by law departments or by firms employed by them. Although work for or against legislation can easily be dangerous to good public relations, it can, if it is carried on properly and in accordance with the inherent right of every citizen or group of citizens to make his or its views heard, be an important means of guarding the institution's and the public's interest. The best place for a public relations department in this type of maneuvering is with the public. It should carry to the public at large or to thought leaders, or to others whose opinion is respected by legislatures and governmental officials, the facts about the issues as it sees them and the arguments for the action wanted. A public fairly persuaded that an institution is right in its attitude toward legislation is a powerful advocate with the legislators concerned.

*To the accounting department* the public relations man is likely to turn when he wants information of statistical nature, or help in checking facts assembled from other sources. The complete objectivity of the accounting mind can be a considerable asset even in processes involving more use of dramatic and imaginative terms than are ordinarily resorted to by accountants.

Singling out certain departments for special mention must not leave the impression that the list is complete. No public relations man or department can do a complete job without at one time or other having contacts with and working with every department in the organization. In all of them will be found individuals who can help carry the institution's story to the public.

#### Advertising Agencies and Public Relations Counsel

While many public relations departments get along without outside assistance, departments of all sizes can make good use of service either from advertising agencies or from public relations counseling firms. From the advertising agency may be obtained the help of trained writers and especially assistance from artists in designing booklets, institutional ads, or any type of material for which there must be art work. Some companies look to their advertising agencies for much of the technical assistance they need in developing their public relations programs.

The public relations counseling firm has a different function. From it comes the same general kind of counsel, the same capacities offered by the public relations staff within the organization. But outside counsel are not so close to the trees. They are usually working on several or many accounts and are able to apply to any client, lessons learned in serving others. Not being employees they *may* be more ready to express views believed to be sound even when they know such views are not shared by the management.

Such firms also are likely to have on their staffs men who know exactly how to prepare material for public relations uses, and they will also have contacts with the right people on the staffs of media of communication and with thought leaders. Their service can therefore supplement in a very important way the service of the staff department itself. It can rarely, for lack of inside knowledge of organization, provide service in as great volume per man hour as is provided by the staff department.

#### Blueprint for Large Departments

The large department is achieved by a process of dividing up the

things a one-man department does, adding perhaps a few activities, and assigning the specialties to various individuals. For example, the growing public relations department is likely to need divisions or departments of its own for preparing written material, for contacting the press, for handling public speaking and special events, for relations with stockholders, for working through employees, for community relations, for motion picture and radio programs, for the suggestion system, for the company publication, and for work with civic and welfare associations.

The number of persons required depends on how much expansion and division of labor takes place. Basically the department with a hundred or more persons will be doing the same sort of work the one-man department has done. It will merely do a larger volume of it more intensively. The larger department is usually broken up into divisions, sometimes on the basis of media to be served, publics to be reached, or areas to be covered.

### Types of Organization

There are various schools of thought as to how the subdividing should be done as a department expands. Dale Cox, public relations director of International Harvester Company, classifies the functions as (1) those for which the public relations department has the direct, primary, and whole responsibility to top management; and (2) those for which the public relations department shares the responsibility to top management with one or more other departments of the business.

Under (1) he lists interpretation of the company to the public and interpretation of public attitudes to the company. Under (2) he lists various other functions, among which are labor-management and employer-employee relations, government relations, customer relations, stockholder relations, inter-business relations, community relations, educational relations, and fact-finding activities. This is division primarily on the basis of the different publics with which relations are carried on. In assigning functions to individuals he naturally puts the most important, the policy formation functions, at the top. Assistants take on duties of lesser importance in accordance with their capacities, and if extra specialists are needed, Mr. Cox suggests they may be obtained from the institution's advertising agency. In his organization a full-time job is made also of work in labor-management relations and community relations, with local public relations men in plant towns. Another man is assigned to customer and dealer relations, cooperatives, farm organizations, etc. Educational and fact-finding activities are handled by another.

### The General Motors Pattern

A different type of organization is represented by the General Motors set-up, probably the largest in the field of industrial public relations. At the top is a public relations policy committee headed by top executives of the company and the vice president in charge of public relations. The general office department is divided into staff sections on editorial policy, institutional advertising, institutional radio, motion pictures, stockholder relations, Washington contacts, press relations, community relations, etc. These are coordinated by a public relations planning committee.

Recognizing the importance of local handling of local public relations problems, the company has a public relations department or man for each subsidiary or operating division. The general manager of the division is the official responsible for public relations activities in his unit. Professional public relations people give him the needed technical assistance and guidance. To provide good coordination between the public relations activities of the parent corporation and those of its divisions, the country is divided into *regions*. In each there is a resident public relations manager who reports to the main office and maintains contacts with plant city committees, General Motors clubs, and other groups and individuals within the region who are working in public relations for GM's betterment. Except for the headquarters staff, the General Motors' organization of public relations work amounts to a division on geographical lines, with a small or medium-sized department or agency handling a great variety of activities in each geographical area.

Some departments are organized in accordance with a pattern similar to that prevalent in advertising agency work. Under the head of the department there are divisions for creation of material, physical production of material, contact with other departments of the company or institution, and contact with the media through which the public can be reached. Working in these are specialists in such types of work as research, opinion surveys, writing, speechmaking, photography, newspaper and magazine contacts and publicity, motion pictures, etc.

### Standard Oil (Indiana) Organization Chart

In my own experience in making a medium-sized department out of a one-man department I found it expedient to combine two methods by dividing duties both in accordance with the groups to be reached and in accordance with the special skills required. For the information-gather-

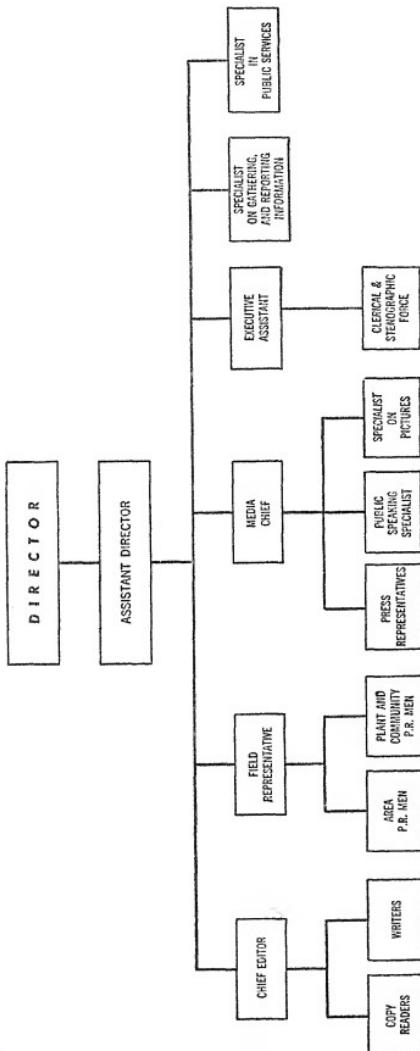


FIGURE 3.—IN THE PUBLIC RELATIONS BRANCH OF MANAGEMENT, VARIOUS KINDS OF ORGANIZATION ARE BEING TRIED OUT CURRENTLY IN DIFFERENT INSTITUTIONS. THIS CHART SHOWS DIVISION OF ACTIVITIES AND SPECIALTIES, CHIEFLY ALONG FUNCTIONAL LINES.

ing functions we rely on practically everybody in the public relations department. Reading of newspapers, pamphlets, books, etc., is split up among members in accordance with their natural interests. Outside clipping services are also utilized. The net budget of information gleaned from the survey of the printed word is put into a folder and circulated to top management officials for their information. Radio comment is monitored by a hired service. Opinion survey information is obtained from a special service, from publications, and from special surveys directed by specialists in the sales-research department. Matters of counsel and aid to executives and other departments are dealt with primarily by the director or one of the top assistants.

For the purpose of telling the story of the company to the public there is, first of all, a unit of writers which gathers material from competent sources within the company and puts it into forms suitable to the manner in which it is to be used. If it is to go to employees through company publications, it is handled by the writers and editors of those publications. If it is to be used in speeches or radio, in appearances by representatives of the company, it is handled by a specialist in the field of public speaking. If a motion picture is to be made to tell the story to employees or public or other groups, it is dealt with by a committee on which a variety of skills and points of view are represented. If it is to go to newspapers or magazines or authors or publishers of books, or if it is to be published in pamphlet or booklet form by the company itself, it goes to the press representative, who specializes in finding the best avenues for publicizing the material developed by the writers. The results of these activities are watched by the specialists concerned. Tangible proofs of results are gathered and frequently displayed in visual exhibits.

All these activities of the organization are under the general direction of the head of the company, and it is to him or to other top executives, or in important matters to the board of directors or to the executive committee that the department looks for policy decisions. Certain of these top officials are also the most powerful mouthpieces or spokesmen for the company's story.

Another important activity which falls in a rather distinct category is that of performing public services. For example, we are sponsoring an important 4-H Club project in many states. One public relations specialist gives most of his time to this project, and throughout the territory served many company representatives assist at the local level. Members of the staff also serve on local and national committees of associations, societies, and other groups that are working for the public

welfare. These are essentially activities for the public good—a form of making friends by good works.

### Operating at Community Level

Much as in the General Motors organization, division managers of sales and managers of manufacturing plants are responsible for the handling of public relations in the areas they serve and in the plant towns respectively. Each sales division manager has for his assistance in this activity a department that divides its time between public relations and merchandising advertising. One man and one clerk usually constitute the field department, but in some instances there are two clerks.

All this adds up to an organization prepared to handle practically all of the usual public relations activities on a national, regional, and local basis. This is possible largely because there are thousands of others mainly engaged in other activities who assist either by furnishing information or by themselves aiding in the projection of information to the publics to be reached. It is with their help that the specialist in public speaking, or the press representative, or the local public relations representative is able to stage a ceremonial dedication of a new plant or a colorful opening of a new service station, or other special events which dramatically call attention to the company's work in the economic service of the public. Through thousands who are not public relations specialists, those of us who think *all* the time in terms of relations with the public, project facts, thoughts, ideas and impressions to reporters, editors, publishers, radio commentators, teachers, and other thought leaders, as well as to the average citizen himself—the final arbiter of the company's destiny.

### A CHECK LIST

- A. *Place in the institution.* Department should be:
  1. Preferably under immediate direction of chief executive,  
or
  2. Under immediate direction of another officer who reports  
to the chief executive.
  3. In free communication with all other departments.
- B. *Head of Department* should be:
  1. A man of high intelligence, warm human sympathy, good  
judgment, good education, outstanding ability as a writer  
or judge of writing.
  2. Experienced in using techniques for communicating infor-

- mation to the public and well informed regarding government, politics, and public affairs generally.
3. Capable of commanding \$7,500 to \$25,000 a year, or more, depending on scope of activities and responsibilities.
- C. *Activities* should include:
1. Gathering of information about public attitudes and reactions and distribution of information to executives most concerned.
  2. Consideration of public relations aspects of policies and activities in the making; counseling of executives concerning such aspects.
  3. Constant effort to convey to the public a correct impression of the things the institution is doing, the policies it is following, the kind of institution it is.
- D. *Tools to be relied upon* include:
1. Clippings from the press, other printed material in general, letters and reports from representatives of the institution, commercial information services, random interviewing and hearsay, public opinion and reaction surveys.
  2. Man-to-man conferences and group meetings to discuss public relations aspects of the institution's activities and policies.
  3. Releases to newspapers and answers to press inquiries; articles for magazine and trade journals; speeches and radio appearances by representatives; motion pictures, slide films, still pictures, charts, and drawings; institutional advertisements; participation by representatives in civic welfare and charitable work, financial support of worthy causes or movements; letters, messages, and reports to stockholders or supporters; magazines or newspapers for stockholders, employees, and other representatives; annual and interim reports, descriptive brochures, and anniversary or special-occasion booklets, reprints of addresses and significant documents, posters for plant bulletin boards, training of employees for public contact, attention-getting ceremonies, celebrations, and other dramatizations.
- E. *Organization of Department.*
1. Head should have full authority and be fully responsible for all activities undertaken.
  2. Aids may include outside firm of consultants or advertising agency people, and department's own specialists in writing,

public speaking, production of various kinds of pictures, public opinion surveying and analysis, printing and illustrating arts, press relations, and contacts with thought leaders generally. Where the institution covers a large territory or has important operations at scattered points it may be desirable to have branch public relations offices working on a local and limited scale in communities or regions or in both.

3. Public relations work involves much research, writing, and rewriting. To utilize the capacity of trained public relations people fully, they must have enough clerical and stenographic help so that they will not waste time on the mere mechanics of getting source material together, putting words on paper, and multiplying copies.
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### Editors' Note

Every business needs public relations planning even if the operation is so small that the proprietor discharges all of its functions himself. The point is to think of and plan for public relations as a specialized and departmentalized activity. As soon as operations in this area are broad enough to require the full time of more than one person, they should be organized on a departmental basis.

Regardless of how large or how formal the department is, it should be a primary concern of the managing executive. Some of these have a natural flair for public relations work and a general understanding of its operation and potentialities. The great majority who do not should make it their first concern to study this field of management operation and become proficient in its policies, if not in its methods and procedures.

In any event, as soon as there is justification for a department, it should be set up at the policy-making level with authority and responsibility comparable to departments in charge of production, sales and finance.

### Budgeting for Public Relations

The first concern of management is usually with the budget. There is not now and may never be any acceptable formula as to how much

money should be spent on public relations work and how many people in an organization should be engaged in it. These totals are best arrived at through discovery of what are the public relations problems and what causes them and then providing sufficient funds and personnel to solve those problems.

As a matter of fact it would be impossible for any corporation to determine precisely what it spends for public relations. The best illustration is the experience of any sales department. A substantial part of the cost of the initial training and continued indoctrination of salesmen goes to teaching them how to make friends and influence people. The backbone of every sales policy is an accumulation of factors that tend to win public approval. Practically all industrial relations are in effect public relations, although they are seldom so labelled in the accounting department.

Many corporations which have established distinguished leadership in public relations work make the bulk of the operation a staff function and maintain a relatively small public relations department as such. Departments operating under that philosophy translate public attitudes to the management and lay out and coordinate programs carried out by line officers and their assistants. Among the corporations where this philosophy has been accepted and implemented with a high degree of success are Ethyl Corporation and the Studebaker Corporation.

Allocation of public relations costs in the budget is unimportant. The important thing is how well the program is integrated in corporate policy and how good a job the whole organization does in winning public acceptance and approval.

#### Naming the Function

One blind spot now developing in management thinking has to do with the label on the function. Some shy away from the term "public relations" and put it under such labels as department of information, education and training, et cetera. But if we accept the seeming inevitability that public relations is a major function of management, it would seem better that a common label be accepted and that all co-operate towards giving public relations dignity and acceptance instead of worrying about an earlier tendency to confuse it with press-agency.

The best evidence of the validity of this thinking is the fact that executives who are looking for new labels are almost always those who have thought of public relations almost exclusively in terms of promotion and publicity.

If the department is set up on a sound basis and operated as a manage-

ment function, it has more to contribute in the search for public goodwill than any other department and will come to be recognized universally as an operation devoted to public welfare. In the final analysis it will be judged not by its appellation, but by the quality of its performance.

It cannot be emphasized too strongly that the return on any public relations investment depends directly on the caliber of the men who determine its policies and the personnel that executes its programs.

—G. G. and D. G.

## HOW TO USE PUBLIC RELATIONS COUNSEL

BY JOHN WILEY HILL  
President, Hill & Knowlton, Inc.

■VI

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#### HE PROFESSION OF PUBLIC

relations counselling originally grew out of press-agency—probably circus press-agency, at that. And for a long while it grew slowly. Ivy Lee, whose latter career was built on his earlier work for the Pennsylvania Railroad and the Rockefellers, is credited with the original formulation of principles that brought to him recognition—before his death in 1935—as the first public relations counsellor of his day.

One of those principles is this: A large corporation nowadays needs far more than a profitable sales record for continuity of its prosperity. It must above all enjoy a climate of public opinion that is favorable to its operations. The big utilities felt fairly prosperous in the twenties; but that economic fact did not protect them from the anti-utility legislation of a Congress egged on by hostile voters.

Neither a prosperous earning record nor a dominant position in the market can raise a company above the need for friendly public attitudes. Indeed, the larger a corporation grows, the more exposed it may

become to the dangers of possible public disapproval. The legislative history of recent years has helped to underline this fact.

#### Functions of Public Relations Counsel

It is the prime function of the public relations counsel to help stimulate and maintain those understanding public attitudes which are required by enterprise for its continuing success.

The need for this creative work has grown enormously in a period of world war and world revolution. But while the number of workers in the field of press-agency and product promotion is now almost legion—for the opportune methods of publicity can be readily grasped—there are still relatively few specialists in the principles of corporate and industrial public relations.

Some of the men in this limited group occupy important offices at or near the top of great corporations like United States Steel, General Motors, A. T. and T., General Electric, Du Pont, Macy's.

But here we are concerned with the work of the professional public relations firm retained by various organizations availing themselves of the usefulness of counsel with an outside viewpoint.

To its work such a public relations counselling organization brings a number of particular advantages.

First, experience in many different fields gives the public relations firm a range of viewpoint highly valuable in each particular situation and problem. To the counsellor with adequate background and experience, no problem can be quite unique and unprecedented.

Second, the firm's outside standing gives it an independence of judgment which no man at an inside desk can find it easy to exercise.

Third, the foremost counselling firms are composed of specialists who supplement each other and furnish teamwork when needed. Actually, the day of the public relations "genius" who knows all the answers has passed. The public relations problems of modern industry are too complex for any single individual to cope with alone. And so in meeting the needs of the times, more and more corporations are turning to the groups of specialists for counsel and independent judgment. Laid before these groups are the involved problems of stockholder relations, community relations, employee communication, government relations and a score of other matters close to the heart throb of industry.

#### Areas of Operation

The emergence of the group does not in any sense mean the passing of the close and intimate personal relationship between counsel and

client. It merely means that the client has a pool of specialized talent and experience on which to draw, in meeting special problems as they arise. The public relations counsellor group can bring this aggregate of talent to his client's problems, all ready to function.

The method of procedure on the job is simply stated. Public relations counsel comes not to command, but to suggest. He enters the enterprise as a counsellor with specialized knowledge and experience.

Management could not delegate to him or to any one else—even if it wished—the responsibility for the company's public relations. Public relations is so much a part of policy that to delegate its conduct would be to abrogate management itself.

Management consciously or unconsciously touches public relations in a large majority of its decisions. It may, of course, choose to ignore the public relations aspects of these decisions, just as it could ignore the legal aspect. But this will ultimately bring it straight into trouble.

Hardly a move can be made by a modern corporation without involving some public reaction. Decisions affecting labor's working conditions, or wages, or prices, or research development, or the moving of a factory, or the profits allotted to reserves—all these are bound to affect some segment of the public. If the company is a United States Steel or a General Motors, often the interest of the whole public may be aroused. The entire country awaits with taut nerves a wage decision of United States Steel. What the latter decides affects not only its own employees but the national economy.

Even though basic policy decisions are clearly management's prerogative, wise management weighs every possible public reaction when each decision is made. For the public when displeased can retaliate. It has weapons. It has votes.

#### Brings Objective Viewpoint to Problems

It is in this weighing process that public relations counsel comes into the picture. Here his independent and objective viewpoint, combined with judgment and experience gained in many previous situations of similar character, can be of vital usefulness to corporation officers.

When any management regards public relations as only a kind of product promotion, it has missed this basic point. It misses the point equally if it views public relations as a device for making a "good story" out of whatever may transpire. Stories woven of tinsel soon tarnish. Those that are whitewash leave telltale streaks after rain.

It is the first business of the public relations counsel to help manage-

ment achieve public relations policy decisions that are sound and in the public interest.

It is the work of legal counsel to keep the corporation in the clear as regards the law. In his task he is guided by the legal code, court rulings, precedents, and innumerable legal forms and formalities—by a code, in short, which reflects the long-crystallized sentiments of society.

The public relations counsel, on the other hand, is especially concerned with the public moods and sentiments as a current development, long before they are codified or crystallized. This is one reason his knowledge is not to be found accumulated in abstract texts. Whereas a lawyer focuses on the certainties of yesterday as a guide to today, the wise public relations counsellor is guided by judgments regarding the probabilities of tomorrow.

### Must Combine Many Skills

His lore is even more scientific than that of the lawyer. It stems from sciences as various as psychology, sociology, economics, biology; from arts as different as writing and the handling of men. It is merely uncodified, as it perhaps must be, by its nature. As yet it is not adequately taught. There are a few college "public relations courses" of some academic merit, but there is no generally accepted procedure through which a young man may acquire adequate training in both the theory and practice of public relations as a career.

No profession today calls for more basic understanding of the complex laws that lie behind the workings of our economy, the development of public opinion, the shifts in political trends, the changing attitudes that work to revolutionize the meaning and status of institutions in our society. Public relations problems are interwoven with all the complex and difficult problems of our times.

The counselling organization which can bring such knowledge into the councils of corporate affairs has guidance exceedingly valuable to offer, even though it may lack the formal status of some of the older sciences.

After this knowledge is used in weighing policy, by deciding the ultimate effect of any given decision on a company's relations with any of its many publics, the next job is that of giving the policy intimate meaning to all concerned.

Here is where the public relations counsel employs advertising and publicity, among his other tools. Many of the same tools are also used by advertising men, sales-promotion men, and press agents, for purposes

of product sales and promotion. It is his goal which defines the public relations counsellor, and not his instruments.

### WORKING WITH ASSOCIATIONS

There are two broad classifications of public relations clients in the industrial field—the industry association and the individual corporation.

Many large associations are using the services of outside public relations counsel. Among these are the American Iron and Steel Institute, American Petroleum Institute, Aircraft Industries Association, Ship-builders Council of America, Association of American Soap and Glycerine Producers, and others. A number of these retain counsel for the over-all job. In other words, counselling firms not only advise these industry groups on all matters pertaining to public relations, but they actually provide the public relations operating personnel for the associations. Still other associations, such as the American Meat Institute have their own internal public relations departments and in addition retain outside counsel.

When public relations counsel is brought into an industry association, usually the first step is to recommend a public opinion survey. This is important in order that the industry's public opinion position in the various economic and geographic groups of population be determined. On the basis of the results of the survey and an analysis of the industry's problems and objectives, it is possible for the counsel to proceed with the recommendations for a program.

Most of the industry associations engaging in public relations activities have advisory committees made up of public relations officers of various companies from within the industry. These committees work with counsel in the formulation of programs which are submitted to the boards of directors for final approval. Some of the committees are small, while others are fairly large. For example, the American Iron and Steel Institute advisory committee on public relations has only five members, while the advisory committee of the Aircraft Industries Association has 17 members.

Underlying the public relations activities of most large industry groups is recognition of the urgent need for greater public enlightenment regarding industry. Enterprise has long since discovered that no one else is going to tell the story of its contributions to the public welfare. On the contrary, the welkin rings with the voices of its detractors.

### Aircraft Program—An Example

Over and above the fundamental objective of helping preserve free enterprise, most industries have special problems. Often these are of broad public significance. For example, Aircraft Industries Association, which is made up of the manufacturers of airplanes, has one very simple problem—that of survival for the industry in peacetime. And the survival of that industry is a problem closely related to the national security.

In the years after the first World War, the aircraft industry was allowed to fall into neglect. That was a reckless thing to do then, but in this age of atomic warfare it would be fatal. Every school child knows that today air power is the first line of the country's defense. That defense must be kept ready for all emergencies. Never again will there be time to build it up after the emergency develops. Everyone hopes the emergency won't develop, but as yet there is no guarantee.

The industry's case has been complicated by the fact that there is no way to keep it alive without a minimum of government procurement. That was the situation faced by the aircraft makers following World War II. It posed a fine question of public relations. Confronted by public indifference to military matters and by a public clamor for government economies, the industry risked the smear of being a self-serving war-monger if it pointed out the facts. On the other hand, silence and certain deterioration of the industry beyond quick repair would place national security in grave jeopardy.

The industry made the wise public relations decision to accept the risks involved in acquainting the country with the truth. A long-range program was developed to tell the public and the Congress just how history is repeating itself in the threatened postwar collapse of the aircraft manufacturing industry. The industry's program included the constructive, concrete suggestion that an impartial national board be established to survey the problem and recommend a sound peacetime aviation policy for the United States. In the light of events in 1948 it is now abundantly clear that the industry's efforts on behalf of the national defense were well timed.

### Four Planning Steps

Whatever the problem of the industry association may be, it is desirable at the outset that counsel put down a basic program which may include:

1. An outline of the client's problems, appraised as to relative importance both immediate and long term

2. A phrasing of the objectives of the program to be proposed
3. A summary of media, tools or projects embraced in the plan, together with the timing of their use
4. The assignment of responsibility for execution of the plan.

While some large industry groups are concerned with public relations activities chiefly in connection with emergencies, many of them recognize the extreme importance of carrying on a continuing program. The American Iron and Steel Institute, the American Petroleum Institute, and the Association of American Railroads are three important industry groups with long-range continuing programs. There are many others.

### Handling Legislative Problems

Some of the specific objectives of industry groups require legislative action for fulfillment. Because Washington continues to play a vital role in the lives of individual Americans and corporations, the public relations counsel of today serving large corporations or industry groups maintains personnel on the ground at the Capital.

The term "public relations counsel" probably comes in for more abuse in Washington than anywhere else. Every twopenny lobbyist and pressure-group artist cloaks his activities in the cocktail lounges of the town under the label of "public relations counsel."

The bona fide public relations counsel does not attempt to "influence" the votes of members of Congress after the fashion of this gentry. He has no extravagant entertainment expense account and organizes no mass postcard, letter or telegram "pressure" bombardment of the Congress. His procedure is confined to the marshalling and presentation of facts. Sometimes those facts are brought to the attention of individual members of the Congress and other members of Washington officialdom. Often they are presented before public hearings of congressional committees.

During the heyday of the New Deal when the "hate toward business" tide was running high, industry frequently hesitated to tell its story on Capitol Hill because of fear of administration reprisals. But with the passing of the New Deal the basis for those fears has largely disappeared. Moreover, most Congressmen and Senators want all sides of the story. They welcome facts and views of an industry on matters involving it. No one can get the facts together so well as industry itself and in this job experienced public relations counsel can give expert guidance.

The arrangement for the appearance of industry or company wit-

nesses before congressional committees is an important part of counsel's work in Washington. He advises as to the presentation of facts, helps in the preparation of statements and sees that the industry testimony is made available to the press. This latter part of the job is essential because public support is necessary for any action by the Congress. Unless the industry's position can convincingly be shown to be in the public interest there is little hope either of public or congressional support.

Unfortunately for the complacent, a public relations program once devised cannot be put away and forgotten. Opinion trends change almost as rapidly as the tides. Legislative and political trends develop in new directions almost overnight. Portal-to-portal pay overshadows all else in December—is all but forgotten in April. Air safety dominates all airline planning in January but the problem is solved by May. Accordingly, counsel must provide both in the basic program and in his own organization means for keeping the basic strategy modern, timely, and realistic.

### Meeting Emergencies

In addition to the basic program or plan, counsel also affords vital service in the acute emergencies which confront business from time to time. The prompt development of an "overnight" strategy for dealing with such emergencies virtually demands the service of a counselling organization familiar with many such emergencies in the past. There is no time for trial and error in such situations. Selection of the appropriate media or tool, and of the facilities that assure delivery on time to the media require experience.

Often such emergencies raise the issue as to whether all publicity and public contact shall cease. The planning of campaigns on national issues affords an excellent example of such "emergencies" requiring specialized planning.

The counselling firm also renders one other service in an emergency, often of great importance, and that is supplying personnel. In most emergencies there is not time to recruit manpower that can write, that is familiar with press and radio, that knows how "to dummy" and issue a booklet, that can plan the movie or slide film, arrange for speakers and other activities.

### REPRESENTING A CORPORATION

The work of public relations counsel for the industry organization is of a broad nature, dealing with industry-wide problems on the na-

tional level. The individual corporation, of course, has many individual problems of its own which are not common to the group. These problems require a different kind of approach and different procedures. When counsel is retained by a corporation, he studies the specific problems relating to the client, including basic policies, labor relations, community relations and many more.

In helping with matters of basic policy, counsel is concerned with the question of what the president should say in an annual report to stockholders, or in a speech he may be called upon to make before a radio audience or from some other platform. His judgment might be sought in the problem of creating a sensible dealer contract that dealers could readily understand.

His help would be highly important in preparing a company message to workers on some matter of policy, or originating information for stockholders, or underlining to the general public the over-all significance of the corporation's contributions to the national life. Particularly would he concern himself with the corporation's community relations.

#### The Grass Roots Approach

The most recent significant trend in the whole field of public relations is the rapidly growing interest in community relations. Suddenly it seems the light has broken for many people, revealing the fact that America is simply a great aggregation of separate communities.

Townspeople and plant workers live and mingle with one another, and in many places they are almost wholly dependent on one another. Obviously, their attitudes are influenced mutually. Successful and appropriate techniques for community relations are being developed by leading public relations counsel and nothing they have to offer is of more significance today. Hand in hand with community relations go employee relations and communications. For years the simple act of man-to-man talking with employees has been almost a lost art.

Industry's own ineptitude and the rise of great labor unions have combined to create a yawning gulf between management and men. The boss has abandoned his place as the natural leader of his employees. In most cases he actually has forgotten how to talk with them. Somehow management must learn how to find its tongue.

These activities of employee communications and community relations are of vital importance to every corporation, and to the whole system of free enterprise as well. If the industry's own workers and their neighbors in the community do not understand the meaning of

industry, and are not ready to defend it, the outlook for ultimate survival of free enterprise in America is bleak indeed. Here is an important and fruitful field for effective communication with employees under the guidance of independent public relations counsel of broad experience.

Of course, if a corporation needs promotion and publicity for its products, and lacks an adequate department to handle the work, the public relations counsellor makes certain that the gap is filled. He is naturally concerned with making sure that any inadequacy in the corporation's operations be overcome.

If the creative work required for product promotion is extensive, he may recommend that a publicity department be set up under a qualified director as a new department of the business—under any name that is preferred. Sometimes it is frankly called a publicity department. Sometimes it is called a news bureau, as at the Ford Motor Company. We know the growing tendency to call it a public relations department. The name does not matter much, if the function is correctly performed.

In some cases the counselling firm is itself asked to assume full responsibility for staffing the internal department and directing its operations.

Both ways of handling the operation are within the scope of the public relations counsel whose clients are numerous enough to have various requirements.

#### Confidence and Frankness Essential

The public relations counsel who is retained by management to assist it in meeting its various problems is properly chosen, just as is legal counsel, upon the strength of his accomplishments, his character and his established associations.

From the very beginning, the client must properly take his public relations counsel completely into his confidence. The more counsel knows about his client's business, the more effectively will he be able to function. Management should hold back nothing, should give counsel ready access to any desired records and data, should instruct all its associates to render every possible assistance as counsel requires. Only in such mutual confidence between client and counsel can a true public relations program be developed and advanced.

So far as the client himself realizes his goals and ambitions, he should explain these to counsel in talk as frank as he would accord his legal counsel in matters involving law.

For effective results, the corporate head must personally believe in

the enduring need of fostering employee respect, community confidence, and public regard. He should behave businesswise in a way that impresses those around him with such ideals. He needs to develop a similar attitude throughout his supervisory staff. He must be ready to act on advice that will help dramatize these attitudes to workers, to the plant community, and to the general public. He should be willing to accept advice on better ways to construct adequate two-way channels of information between the front office and the assembly lines.

### Management Must Understand and Cooperate

Such requirements make it clear that an effective public relations program requires full cooperation from corporate officials. In law, legal counsel may often himself present the case even if the client chooses to be absent from the courtroom. In public relations, it is the counsel who seldom appears in the limelight. Responsible company officials should be willing to meet personally with press representatives, public officials, or others whenever his public relations counsel believes the situation warrants, taking advantage of all the aid offered by counsel in handling what may be a difficult assignment.

These officials should make a personal effort to participate in selected community activities, so that the community may realize the keen interest of the company in its concerns. The company should find it possible to hold occasional open house in its plants for workers' families and other community residents.

Management should be ready, in short, to make a real personal effort, day after day, to cooperate with counsel in making good public relations a reality.

If the counsel has been well chosen and corporate officials extend adequate cooperation, they cannot escape earning a personal reward in the high satisfaction that comes with public recognition of their achievements. And their organization must necessarily benefit in ways that ultimately can be directly weighted on the balance sheet.

### Public Relations Earns Its Way

Surprisingly enough, the fees that public relations counsel are accustomed to set for their services are often relatively small. Few indeed are the corporations which spend on their over-all public relations work, even in these times, ten percent of the sums they devote to product advertising and other various forms of sales promotion.

This may partly be explained by the fact that many a corporation still tends to regard expenditures for sales promotion as an investment,

while regarding those for public relations as an operating expense. But this view is already in process of change, under the impact of current history.

### SUMMARY

In conclusion, the following suggestions are set forth as basic in the use of public relations counsel by industry:

1. Be sure the right counselling firm for the job is selected. Broad industry public relations experience, a record of solid achievement, and ability to provide a pool of specialists for a variety of problems, are the best criteria—rather than mere high-powered salesmanship.
2. Counsel is entitled to the complete confidence of the client in all matters pertaining to public relations. That covers a lot of territory because public relations enters into a large portion of all management decisions.
3. Counsel should learn of important policy decisions at first hand, through his presence at policy-forming meetings. A complete understanding of all background considerations is highly important to his usefulness.
4. The power of final decision reposes in management. However, in all matters touching upon public relations, counsel's views and recommendations should be requested and given full consideration.
5. Public relations is a responsibility of management. It cannot be avoided nor delegated. Counsel's function is to provide management with independent expert guidance and help.
6. Public relations is an over-all function. It is not to be confused with publicity in the narrow sense. Competent public relations counsel is skilled in all of the arts of communications, including publicity and advertising. He is experienced in the use of all channels of communications, including the press, radio and the public forum.
7. Good public relations have their roots in policies and acts that square with the public interest. Outside counsel cannot make black appear white, and honest ones won't try.

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### Editors' Note

It is usual that public relations counsel is first employed in moments of dire need. Of course this is the wrong approach. If the emergency

has developed you will employ the best counsel available at once, but thereafter you will remember that if a sound public relations program had been in effect over the years, this emergency might never have developed.

#### Start on a Professional Basis

Whether or not the need is acute at the moment, approach the problem on the assumption that you are hiring a professional man and deal with him accordingly. He is skilled and experienced. If he is not, you don't want him. He is as expert a diagnostician in matters having to do with your human relations, as is your physician or lawyer in their respective fields. If you have chosen him wisely, you should be as willing to accept his advice as that of your physician.

Don't try any smart opportunism. Don't try to get a lot of free advice during your initial negotiations. Competent public relations counsel refuse to submit horseback guesses as to a program on a competitive basis. The good counsel must spend weeks and usually months learning your organization and your policies and studying your problems before he has any program suggestions on which he is willing to stake his reputation.

Such relationships should always be based on a clear and concise written agreement as to mutual responsibilities. Few public relations programs show tangible results within six months. The logical arrangement is for the counsel to be given a year in which to study a situation, devise a program and get it working to the extent that its effectiveness begins to be provable and obvious. All of this of course relates to the planning and execution of a long-term program. For the spot job, you will employ a counsel who has demonstrated results in similar situations and who can work much faster by concentrating on a single problem.

You are asking a competent professional to give a substantial part of his time and thought to your problems and you are paying him well for it. But he can't earn his fee unless you give a substantial portion of your time to constructive consultation with him. He will need equal cooperation from minor executives and even from supervisors. It's your job to see that your whole organization cooperates in that spirit.

#### Two Patterns of Operation

Good consulting organizations operate on two theories. One restricts the number of accounts to the point where the head of the business can give sufficient of his own time to personally supervise all plan-

ning and operation. The other employs account executives presumably as able as the head of the firm and leaves all policy matters in their hands.

For instance, Earl Newsom & Company, New York City, maintains a strong staff of assistants and limits its accounts to five. Mr. Newsom personally directs the programming and operation of each account although a senior executive serves each client. In contrast, the Institute of Public Relations, New York City, with some thirty accounts, is highly departmentalized and account executives have the experience and the authority to carry through with their accounts. John Darr, the president, gives over-all policy guidance and has charge of administrative affairs.

#### Client-Consultant Relationships

There are four basic philosophies of operation in the relations of consultant and client. Under the first, the agency is purely a consultant. Its directing head operates as and sometimes actually is a member of the board of directors. He participates in all policy decisions and guides management thinking in all public relations matters. He takes little or no part in the execution of programs.

The second arrangement provides that the consultant perform all the functions of the first. In addition he guides the establishment of a public relations department if one does not already exist and sits in at the departmental level on all operational planning. This man is actually a consultant to the department as well as to management.

Under the third plan the consultant is in effect the public relations department of the business. Here he not only guides policy and maintains departmental contacts but actually produces all public relations material, handles all publicity, and supervises public relations contact with employees, customers and all other publics concerned.

In the fourth arrangement the consultant handles spot jobs. In such cases recourse is frequently had to the services of the many specialists who are developing in the field of public relations. These include organizations which specialize in such areas as labor relations, community relations, company publications, etc.

#### How Much Will It Cost?

There is no common pattern to determine the cost of public relations consultant services. The most common practice is to charge an agreed monthly fee which includes only the advice of the principals of the agency and the agency's administrative costs. Until recently the

practice has been to charge all other expense at cost except that production costs were frequently charged with an override averaging about 15 percent. This meant that the initial fee usually seemed excessively high because of the necessity of meeting the overhead costs of maintaining the organization. More recently the exact time of everyone in the consultant's office devoted to a client's program is charged at cost plus an agreed percentage which ranges from 15 percent to 50 percent.

Well-established consultants with any substantial reputation seldom accept less than a minimum fee of \$1,000 a month. Others ask minimum fees ranging from \$2,000 to \$3,000 a month, and some charge a minimum fee of \$5,000 per month.

There are no bargains in the employment of public relations counsel. Those that are employed for less than they seem to be worth were not worth what you thought in the first place. The best way to evaluate what you can afford to pay to a good public relations counsel is to calculate what it might cost you in the long run if you failed to employ one and ran into some of the crippling experiences that you remember have been the lot of some of your competitors and neighbors. But what you think you can afford to pay has a direct relationship to the importance which you as a management executive attach to the public relations function itself. As recognition of the management importance of this function spreads, appropriations increase and the expenditure is justified by experience.

#### Entertainment Expense

Recent history has dramatized the dangers of one area of fallacious thinking in public relations management. This is that friendships and public understanding rest largely on lavish entertainment, expensive gifts and personal favors. Editors and the managers of media are no hungrier or thirstier than other individuals, but most of them are far more resentful than the average of any assumption that their medium is for sale or that their personal appetites are a way to editorial favor. Dinners, luncheons, cocktail parties and entertainment occasionally are appropriate and productive but poor taste and bad judgment in the staging of them can be harmful and sometimes dangerous. Competent public relations counsel will know where to draw the line.

#### Selecting the Public Relations Counsel

The executive in search of a public relations counsel has four primary sources of information. The first and probably the most important is the experience of other executives who have employed counsel in situa-

tions similar to his own. Management attitude towards these matters has changed markedly in the last few years. Today most executives are ready and willing to exchange experiences with others, even their competitors.

The second source consists of the two national public relations associations, Public Relations Society of America, New York City, and American Public Relations Association, Washington, D. C. In addition there are many recognized local and regional public relations organizations in the principal metropolitan centers.

Public relations counsel seldom accept competitive accounts. Go to the counsel of one of your competitors. You may be sure that he will give you informed and objective advice.

Business publications have daily contact with public relations counsel and with the corporations that employ them. The guidance of a business editor can be extremely helpful in the initial stages of your investigation. *Public Relations News*, New York City, maintains a clearing-house of information on public relations consultants and personnel. For further suggestions on "How To Use Public Relations Counsel", see Chapters I, VII and VIII.

—G. G. and D. G.

# HOW TO USE THE PUBLIC RELATIONS DEPARTMENT OF AN ADVERTISING AGENCY

BY MARVIN MURPHY  
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■ VII

## O

BVIOUSLY BEFORE YOU CAN use the public relations department of an advertising agency, you first have to choose the agency. So your first important step is to choose one that is equipped to provide the kind of public relations service you need. This chapter advances some suggestions for guidance in making that choice and submits some suggestions as to how best to work with the public relations department of the agency.

Advertising agencies provide a wide range of public relations services. Some of them have large departments with staff men and women competent to handle any phase of public relations to the extent that the function has so far been developed. Some have departments that are engaged exclusively, or almost exclusively, in handling publicity. Some agencies have neither public relations nor publicity departments but do offer the services of one or more former newspapermen or

newspaperwomen. Still others look upon public relations or publicity as a minor but unavoidable service that can be handled by their account executives or their secretaries. And a great many agencies, evidently feeling that public relations is something foreign to their field of operations, advise their clients either to employ their own public relations personnel or to engage the services of outside public relations counsel.

### Development of Advertising Agency Public Relations Departments

The activity of advertising agencies in the field of organized public relations is of comparatively recent origin. As far as I have been able to determine, the first advertising organization to offer its clients a publicity service was N. W. Ayer & Son, Inc. Even before the turn of the century Ayer was providing publicity for some of its clients. Largely as a result of the accomplishments of publicity in World War I, a one-man unit was established to provide an organized service. This service consisted of the preparation and distribution of news and feature material to newspapers, magazines, trade publications and other media. Every story, photograph or publicity suggestion was submitted to editors for them to judge on the basis of its news or feature interest without regard to any advertising the agency might have placed with their media. This is now the usual policy of agencies providing publicity services.

The service was successful from the start because it made available to editors information of genuine public interest much of which they themselves were not equipped to obtain. The one-man publicity unit expanded into a publicity bureau and later into a publicity department. Meanwhile other agencies, recognizing the importance of publicity to their clients, began offering publicity services.

Gradually the publicity personnel in some advertising agencies realized that publicity and advertising were not enough in themselves to establish the proper public concept of their clients. They learned the truth of the old saying that actions speak louder than words. They saw that a company's relations with the public begin at home—among its employees, its stockholders, its customers and other groups with which it has direct contact. So gradually they extended their activities into the fields of employee relations, stockholder relations, and relations with other groups. As they did so they developed techniques for dealing with the problems they encountered. Eventually, as the term "publicity" became more and more inadequate and as "public relations" became established in the vocabulary, some agencies gave public

relations status to the services they already were providing, while some other agencies created public relations units within their organizations.

But, while organized public relations departments within advertising agencies are of comparatively recent origin, many advertising men were helping their clients to practice better public relations long before the term was ever heard of.

### Relationship between Management and the Agency

To be most effective the advertising agency should have a counseling position with top managements of its client organizations. Company policy is basic to any advertising. It should determine the whole advertising and merchandising approach. Indeed sound policy sometimes directs that products or services not be advertised at all or that advertising be postponed pending preliminary steps which the advertising counsel knows from his experience in many fields are indispensable to success. Millions of dollars have been saved to American businesses by advertising counsel who have frankly told eager managements that they did not have salable products or services or that their plans for merchandising them were not built on solid foundations. And so, though an agency may have no public relations department, though it may never concern itself with the client's employees or stockholders, though it may not handle news releases or other publicity, though it may not do other things commonly associated with public relations, it can to some extent contribute public relations guidance.

### Analyze Needs and Objectives

As an advertiser interested in public relations, therefore, you have a wide range of choice. But before deciding to undertake a public relations program through an advertising agency, or in any other way, you should first examine and then define your basic needs. For example, is the problem primarily one of developing *publicity* to supplement advertising? Or is the problem one that might involve long-range planning and development work, perhaps even implying changes in policy? Such questions must be answered at the start. While an agency equipped only to offer publicity services might answer the first need, only one equipped to provide a well-rounded *public relations* service can handle the second.

Let's assume, however, that you want to undertake a real public relations program in which publicity is only one of the tools to be used or that you wish to expand a program that is already under way. Let's

assume further that you would like to obtain a public relations service from the organization responsible for your advertising. What should you expect from it, how does it function, and how can you work with it to the best advantage?

### How To Evaluate Agency's Service

The size of an agency's public relations department is not necessarily an indication of the quality of its work or a measure of the scope of its facilities. A small organization of several people, or in certain cases, even a lone individual, can provide a sound public relations service and many of them are doing it in advertising agencies. The real criteria can be summed up in the answers to six questions:

1. Does the public relations operation have the sincere support of the agency management?
2. Are its activities geared to those of the other departments of the agency and considered on a par in importance with them?
3. Does it have access to and receive counsel from the top creative people in merchandising, copy, research, art, media and radio?
4. Does the agency provide a real public relations service or does it engage only in publicity?
5. Does the public relations personnel have sound professional experience?
6. Is there enough personnel to take care of your needs?

Through inquiry and investigation these questions should not be difficult to answer.

### Steps in Planning Program

After the agency has been engaged, its first step is to prepare a plan based upon a study of the business and its existing public relations. This plan should set forth clearly what the objectives of the public relations program are—what images are to be aroused and what attitudes are to be created in the public mind regarding the business, its services or its products. It should reveal any policies or practices that are barriers to the development of these images and attitudes and recommend their elimination or modification. It should outline the basic messages to be communicated, define the specific audiences to whom the messages are to be addressed, and plan the channels of communication. The amount of study necessary to the preparation of such a plan varies. Sometimes sufficient reliable information is readily available and the objectives and procedures are obvious. Sometimes the agency can make its own studies. Frequently there is need for outside opinion-surveys of the community,

of employees, of stockholders, of the trade, of other segments of the public, or of cross-sections of the public at large.

Unless it treats public relations as an integral and important part of its business, the advertising agency is apt to approach the planning solely from the standpoint of advertising and merchandising and to omit or minimize other activities essential to a well-rounded public relations program. But if it considers modern public relations techniques to be of fundamental importance, it will call upon its public relations department to participate in the planning. The plan then will not be confined to consideration of advertising, packaging, styling, pricing and the multitude of other sales factors. It will also deal with policy matters that have no direct bearing upon sales or advertising such as the relations that exist between the company and its employees, its stockholders, its communities, governmental bodies and other groups. It will recommend channels of communication other than advertising. Such a plan will coordinate the whole effort—the basic action and all the media of expression employed to interpret it. As a result every member of the band will be able to play the same tune.

#### Types of Agency Procedure

With the basic principles established and approved by management, the procedure for carrying on the public relations program will vary with the nature of the business, the wishes of the management, the structure of the agency, and other factors. There is no one best form of organization. Those most frequently employed are:

1. Agency works with the client's director of public relations, giving him advice and counsel and providing the staff for production
2. Agency coordinates its activities with those of a functioning public relations department in the client's own organization
3. Agency handles the entire public relations program, sometimes putting its own man in the client's organization to act as the director of public relations either on the payroll of the agency or that of the client
4. Agency supplies advice and counsel but undertakes no production except, sometimes, on specific projects.

#### Management Support Essential

But whatever the form of organization, one thing is essential to the establishment and maintenance of a sound public relations program and that is the active support and participation of the client's top manage-

ment. Without it there can be no assurance that policies will be formulated in accordance with the prescribed public relations principles. The public relations activities will be sidetracked into answering fire alarms to put out blazes caused by ill-advised actions. Without top management support and participation it is difficult for the public relations thinking on policy matters to percolate down through the organization. Without it neither the company's own public relations director nor the advertising agency counsel can participate in that free exchange of views that is necessary if management's thinking is to be understood clearly by those responsible for execution of the program and if management is to receive the benefit of the outside viewpoint and the counsel's interpretation of public opinion trends.

Of course I do not mean to suggest that top management should burden itself with details of the public relations program. Obviously it shouldn't. But it should deal at first hand with public relations personnel on matters of policy. When the president depends upon someone else to interpret his thinking and his actions to the public relations counsel so that the counsel can in turn interpret it to others, he can be almost certain that he is not going to be fully understood. The decision may be crystal clear, but the reasoning behind it and its relation to other phases of the program may not be.

### Two Case Examples

For example, an agency public relations counselor learned from an officer of a company whose employees were on strike that the company-controlled building and loan association had ordered foreclosure of the mortgage on the home of the union president. Although it apparently had every legal right to do so, the public relations man realized at once that such action would not be wise. The company officer took the position that since "the boss signed the papers" the foreclosure was in line with company policy. When the counsel pointed out to the president that putting the union leader out of his house in the midst of a strike would make a martyr of him in the small community in which the plant was located, the president was quick to see the point and to order the application for foreclosure rescinded.

In another case the agency had recommended in its plan that information about company earnings be explained to employees. Although this had been approved as a basic principle of management policy, some members of management objected to it when the public relations department took it up as an active project. They advanced various reasons why it should not be done and it was evident that they thought they

were expressing the viewpoint of top management. Had the president shielded himself from the public relations personnel the project would have died right there. But in his next periodic public relations round-table meeting of management personnel, the president gave his reaction to each of the objections that had been raised, admitted the validity of some of them, and explained why nevertheless he thought they should go ahead. When the reasoning was thus revealed everyone voted to proceed.

### How Agency's Public Relations Department Works

With basic principles agreed upon and an organization set up for carrying on the public relations program with top management support, the question naturally arises as to how this machinery should function so that the client can obtain the best services of the agency. What activities are carried on in the agency and how can the client's public relations director most effectively mesh his operations with them? That, too, will vary among advertising agencies that provide public relations services. And the system of any given agency will be adapted to meet the particular needs of individual clients. For the purpose of illustration I shall cite the experience of the organization with which I am most familiar.

This public relations department comprises some sixty people, approximately half of whom are members of the creative staff. It is directed by a vice president who is responsible directly to the president, and the president is thoroughly convinced of the importance of the public relations function. It is as much a part of the business as is any other department.

The public relations department works with the plans-merchandising and other departments in making a study of each new account and preparing a plan. This study is not confined to advertising and merchandising. It covers all phases of the business in its relation to the public. The recommendations that grow out of it call for actions and for the expression of those actions through whatever media can most effectively express them. Sometimes public relations activities have a major part in the recommended expenditure. Sometimes they are not recommended at all. On occasion the use of advertising is not recommended until other public relations projects can pave the way for the most effective use of advertising.

The plan of basic principles and recommendations having been formulated, it is passed upon by the Creative Production Board composed of the heads of the several creative departments. From then on

the plan serves as the road map for all activities within the counsel organization. Periodically the account is reviewed by the Creative Production Board to make certain that the caravan is staying on the main road and that all parts of it are running smoothly.

#### Internal and External Teamwork

The success of any public relations program depends upon teamwork. What an organization does is reflected in what the public thinks about it. What it says in advertising itself, its services and its products should be coordinated with what it says about itself in other ways—not only in theory but in practice. So the public relations department works closely with the representative, or account executive, who has immediate responsibility for the relationship with the client. It works closely, too, with all the other creative departments.

But teamwork is also a basic policy within the public relations department itself. No individual has a corner on ideas or knowledge. While one or more persons are assigned to each account to work under a supervisor who has broad public relations experience, the practice is to draw upon the know-how, the ideas, and the contacts of the entire staff of men and women. Since many of them have specialized in selected fields or activities, such as fashions, finance, aviation, or in employee relations or working through national organizations, the group effort is most valuable.

The team spirit is further engendered by group meetings to discuss specific problems or situations, by staff meetings at which members exchange experiences and are informed of new developments in the public relations field, and by monthly luncheons. At each of the luncheon meetings there is a guest from outside the organization carefully chosen on the basis of his or her ability to contribute something new to the knowledge or experience of the staff. In a six-month period guests included an expert on employee relations, a consulting psychologist, the director of public relations of a large company, a woman who for years specialized in working with women's clubs, a magazine editor and a nationally known radio commentator.

#### Varied Skills and Experience Available

In addition to the specialized skills within the public relations department and the outside contacts that bring fresh viewpoints, the public relations personnel draw upon specialists elsewhere in the organization—not only in art, but in the various fields of art; not only in radio, but in the several phases of radio; not only in merchandising, but in mer-

chandising in many industries—specialists any one of whom can make important contributions to a public relations program.

Furthermore the public relations department of an advertising agency has a wealth of experience in working with all sorts of businesses. Techniques developed in working with one client can be used or adapted for another. Knowledge applied in one industry can be applied to another. Contacts made in behalf of one account often open up opportunities for another.

The extent to which any client can profit by the wealth of experience and ability of any advertising agency public relations service will depend in large measure upon the degree to which he *organizes* himself to use it. If you look upon your agency as a counselor, if you take it into your confidence, if you stick to the basic principles (unless there is sound reason for changing them), then, as any project comes up for consideration, the contact man on your account can view it clearly in its relation to the whole program.

#### Conference Planning Strengthens Programs

One of the most effective procedures is to arrange periodic public relations conferences. At such intervals as are most practicable the public relations director of the company, and possibly some of his assistants, should meet with the public relations and service personnel of the agency working on the company's account. These meetings can be profitably devoted to a discussion of projects in progress and to planning the work immediately ahead.

Also periodically an executive of the agency's public relations department, together with representatives of other departments, should meet with the client's top management and the client's director of public relations. These meetings should be for the purpose of quick reviews of work in progress and discussion of broad policies. Department heads or other executives should be invited to attend meetings that immediately concern them. Such meetings also serve to inform management of the progress and accomplishments of public relations activities.

#### Retainer Fees and Charges

Sooner or later a discussion of a public relations program gets around to costs and methods of charging. The cost, naturally, will vary depending upon the amount of work involved and the calibre of personnel assigned to it. There is no set standard for all agencies. Most of those that take their public relations services seriously charge a flat fee plus

expenses. In agency public relations services, as in everything else, you usually get what you pay for.

#### CHECK LIST

1. Is the agency equipped to provide a complete public relations service or does it supply publicity only?
2. Does its public relations service have the sincere support of the agency management?
3. Are its public relations services coordinated with the operations of the other departments and considered by its management on a par in importance with them?
4. Does the public relations personnel have sound professional experience?
5. Is there enough personnel to take care of your needs?
6. Does the agency take public relations into consideration in its fundamental planning or is that planning approached solely from the standpoint of advertising and merchandising?
7. Where will public relations fit into your own organization chart?
8. Will your top management take an active interest in the public relations program?
9. Will top management and the public relations director attend periodic meetings for consideration of public relations?
10. Are you prepared to formulate basic principles and stick to them?
11. Has the agency a record of constructive performance for other clients?
12. Does the agency charge fees commensurate with professional service or does it use the department to serve the vanity of clients and to attract new ones.

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#### Editors' Note

An advertising agency functioning as public relations consultant is not only relatively new but it is a complete reversal of the traditional agency attitude. Until recently most agency men feared and suspected public relations. They feared it primarily because the public relations consultant worked in more intimate contact with top management

than the agency contact executive. They suspected it because they assumed that whatever fees were paid to the consultant and whatever funds went to finance a public relations program were somehow siphoned out of an advertising appropriation and might otherwise have been subject to the cherished 15 percent discount.

Advertising has discovered a few basic truths. It has learned that public relations thinking on the part of business executives creates paid and commissionable advertising, that public relations planning brings advertising agencies closer to top management, and that the philosophies and verities of public relations logically run through the whole field of distribution.

### Public Relations Programs Create Advertising

The list of public relations campaigns which have stimulated important advertising programs is almost endless. Among the larger might be mentioned the campaigns of the National Association of Ice Industries, the Tea Bureau, National Association of Manufacturers, American Petroleum Institute, Iron and Steel Institute, and the Association of American Railroads.

These are instances of important trade association campaigns growing out of public relations programs. Those campaigns stimulated literally thousands of individual corporations to do a similar job on a local as well as a national basis. In other words, they went about the business of selling *ideas* as intelligently and as effectively as they promoted the sale of goods and services.

### Many Departments Only Window Dressing

While a substantial number of advertising agencies both large and small are practicing sound public relations as a specialized service, it is regrettable that an even larger number are simply adding the words "public relations" to their letterheads and nominating their publicity men as public relations experts.

Real reform will come as all advertising agency managements discover what most of them are beginning to realize: that neither publicity nor public relations service can any longer be supplied gratis to the advertising client. As soon as the agency begins to charge a reasonable fee commensurate with adequate public relations service, the client begins to wonder what he's getting for the fee and to demand the service he should expect from a professional public relations consultant.

Agencies still have a long way to go however. *Advertising Age* has

conducted a survey which reveals that 49 percent of the advertising agencies still give free publicity service on advertised products. More important is the fact that 42 percent give free service to clients in the realm of public, community and supplier relations. As many as 13 percent give free advice on employee relations. Agency thinking is far behind management policy in this respect. The survey revealed that only 22 percent of national advertisers feel they're entitled to free public relations service from their agencies.

#### Good Advertising Performance Not a Criterion

Don't judge the quality of an advertising agency's public relations service by the excellence of its advertising programs. Some agencies do an excellent job in both fields. Almost as often excellence in one operation is accompanied by ineffectiveness in the other.

There is no central agency that has the information on which to base judgment and the courage to broadcast it objectively in answer to your question as to the best advertising agency to do a public relations job. If you are contemplating a public relations program and lean towards the idea of using your own or another advertising agency to do the work, your best bet is to discover the names of the agency's public relations clients. In most cases those clients will be quite willing to give you a frank report on the proportions and quality of the public relations services rendered by the agency. Helpful reference to the contribution that advertising agencies can make in carrying out a public relations program will be found in Chapters IV, V and VI.

—G. G. and D. G.

## ASSOCIATION PUBLIC RELATIONS

BY HOLCOMBE PARKES  
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■VIII

**W**HATEVER MAY HAVE BEEN said in the preceding chapters regarding use of the tools of public relations at the company level applies in a general way to public relations at the association level—only more so—and in a fashion which invites a reappraisal of these tools. For association public relations is a horse of another color. But let it be said quickly that this horse is a spavined creature of indefinable color, sway-backed from the load it carries and never capable of more than a slow walk. Nevertheless it is an indispensable member of any team.

### Difference between Company and Association Public Relations

First, let's see how public relations at these two levels differs:

In the case of a company program, the public relations objectives are usually few in number and sharply defined by the very nature of single

company operations. In association public relations work, such concentration and focus are usually lost in a broader program designed to meet the needs of a whole group of organizations.

Similarly, the company public relations executive can usually identify and spotlight his publics whereas the association man must work with broader segments, often difficult to identify and still more often defying segregation.

In addition, the company man has direct access to many of his publics—employees, plant city neighbors, suppliers, customers, to name a few. But the association man, in the majority of cases, is at least one step removed from these key groups and must therefore reach them by second-hand or indirect methods.

More important is the fact that the company man must deal with a limited number of influential principals all of whom have at least a firm community of interest in the success of their company. The association man, contrariwise, must always work with a small army of "experts" whose community of interest is at least highly tenuous, it being the abstract good or the common denominators of the group.

Also the company man can maintain continuous contact with those who determine policy for his organization, enabling him to alter his program almost from day to day and always with some assurance that he is on sound ground. The association man, however, is always faced with the problem of infrequent contact with those who determine policies, with the result that he either has to "fly blind" at times or move so cautiously that some effectiveness is sacrificed.

Finally, the company man, operating with no restrictions other than those imposed by his superiors or his industry, can deal with persuasive specifics. The association worker, on the contrary, is often forced to operate on the thin ice of generalities and to fight great battles with common denominator pop-guns—all in order to remain within the shrinking boundaries imposed by the many differing opinions held by the membership of his organization.

### STEPS IN BUILDING THE PROGRAM

Let's assume now that you have the ambition—and the courage—to tackle an association public relations program. Let's assume further that you have picked out the field in which you want to work; perhaps even the association that you think should sponsor an aggressive program. Assume, too, that part of the foundation of such action has already been laid. Be sure:

That you have the necessary personal contacts in the field and with the association staff; and,

That certain principals in the organization have expressed an awareness of the need for public relations work.

How to begin?

#### Start with the Survey

Trading on your contacts, you first awaken interest, not in a public relations program per se, but in finding out whether such a program is needed, why, when and where. You recommend scientific, objective opinion research as the one and only starting point for any association activity in the field of public relations. You do this for many reasons:

To be sure that there *is* a pressing need for a public relations program;

To document this need beyond all argument;

To obtain the guide posts (for activities, targets, themes, etc.) that will be needed if a program is subsequently approved; and,

To provide a base from which progress can be measured.

Having awakened interest in such a preliminary study and having followed it through to completion, you are now faced with a most difficult step—interpretation of the findings of opinion research in terms of what needs to be done, when, where, how and by whom. For it is here, in the beginnings of a public relations program, that many serious mistakes can be made:

By trying to stretch the percentage findings of opinion research too far;

By permitting personal bias and preconceived ideas to read implications into these findings that are unjustified; and,

By giving way to pressures in behalf of media, certain types of activities, and those varied "clever" devices dear to the heart of the amateur public relationist.

#### Outline the Program

But assume that these hurdles are also topped without too much trouble. An objective study pointed clearly to the needs of the industry, public-relations-wise. You interpreted its findings in terms of a public relations program, complete with themes, targets, activities, staff and the mechanics of getting the job done. Presentation of this program to the board or to the full membership is the next step. But here again serious mistakes can be made.

One is to assume that brevity is a cardinal virtue at this stage. If the

presentation must be telescoped into a capsule, it might be better to drop the whole idea and let some one else have the headaches that will surely follow the approval of any program that is not fully understood by all its sponsors.

Another is to overload the presentation with operating detail when the sponsors-to-be are primarily interested in *why* certain things are recommended and *what* will be said—the purposes and the thematic content of the program.

### Presenting the Plan

The presentation should be complete, persuasive, revealing. It should have a flexibility that will allow compromise and change. If, in spite of these qualities, it encounters any appreciable degree of opposition, it might well be concluded that the association is not yet ready to sponsor a worthwhile public relations program. For, unless the great majority of the members are whole-heartedly interested in the program, there is little chance for success for reasons that will be explained later.

Allied to this question of the depth of member interest is the problem of policy-making and supervisory organization, which may or may not be a part of the presentation. All experience to date points to the need for two basic committees: one, a small committee composed exclusively of articulate members of the board and assigned full responsibility for policies and budget; and the other, a larger committee composed of the public relations executives of member companies who would have an advisory function in regard to the operation of the program.

### Committee Participation

The policy committee is, in effect, an arm of the board of directors. As such, it makes policy decisions between meetings of the board. Its members should be available to the association's staff for counsel and advice. But its greatest contribution to the success of a program would be made when it helps to explain or defend public relations activities at meetings of the board or membership.

Perhaps the best-known committee of this kind is the Public Relations Policy Committee of the National Association of Manufacturers, a committee of eight principals which exercises general supervision over the NAM's public relations program, including the annual budget and the varied activities making up this program.

The advisory committee should advise, not direct or supervise, and its members should not be connected with companies represented on the policy committee. Its sole function should be to help the association's

staff to conduct a program that will produce results; to use the tools of public relations with the utmost effectiveness.

One of the oldest and smoothest-operating advisory committees is that which has been an integral part of the public relations operation of the Association of American Railroads since its inception in 1935. This committee is composed of about 25 public relations officers of member railroads, all able practitioners and all broad enough in their concept of the job to enable them to function effectively as *advisers*, not supervisors.

The director of the association's public relations set-up, whether he be a staff officer or an outside counselor, should be accorded a status commensurate with his responsibilities. He should attend all meetings of the board and be given the privilege of the floor in connection with any policy discussion. He should serve as secretary of the policy committee and preside at advisory committee meetings.

#### Defining the Public Relations Director's Position

All of these organizational details should be either included in the initial presentation or threshed out at the board level before any public relations program is launched. They are fundamental.

One more word of warning: Anyone who aspires to head an association public relations program should do a serious job of self-examination before embarking on such a task. He should:

First, make sure that he has the capacity to stand constant criticism without becoming discouraged; that he has the objectivity that permits him to separate the good from the bad in criticism without letting personal actions or reactions affect his use of the good.

Second, make sure that he has enough of the crusader in him to rise above intrigue, jealousy, and competing ambitions; that he has the courage of his convictions—enough to "speak his piece" on occasion without fear.

Third, search deeply to be sure that he has that peculiar make-up which enables him to distil adequate satisfactions out of movement in the right *direction* rather than in the *pace* of that movement—for no association program, however well conceived and operated, will ever move as fast as it should, simply because it must always deal in compromises that come from a slow-moving democratic process.

The successful association public relations man then is a chap who has all of these qualities, plus, of course, the experience and capacity to plan and administer a broad program which calls for expert use of most of the tools in the public relations kit.

### Educating Members

Suppose that the process of inaugurating a public relations program for an association has progressed to the point where actual planning must be started. But here again certain fundamentals should be considered if the program is to have a sound foundation. So let's look at some of these vital foundation stones (assuming that the cornerstone of initial opinion research has already been laid):

The essence of good public relations is enlightened performance—plus an adequate publicizing of such performance. One of the essentials of a good program, therefore, is the responsibility to aid enlightened performance—publicizable performance—on the part of the membership. This means internal education; activities and productions that are designed solely to help member companies to do their full part in developing an industry character that people will admire. Such work is not only first in importance; it is also first in timing—for, until it is done, there may be little grist for the public relations mill.

Then, too, all association programs must recognize *two* responsibilities. One is to speak and act for the group as a whole through media and at levels that cannot be reached by the individual member. The other is to provide inspiration, leadership and guidance to members so that they will contribute their full part to the over-all program. In this connection, it must be remembered that it takes *both* national *and* local activity to win out in public relations; neither alone will ever be sufficient.

### Determine Basic Philosophy

There is also a natural division of purposes that must be kept in mind in programming. One phase of association public relations work might be called fire prevention in that it encompasses projects designed to disseminate the truth about industry, thus correcting misinformation before it blazes. Another phase might well be termed fire fighting because it calls for the use of the tools of public relations to put out dangerous fires in the shape of organized efforts to destroy freedom or harm an industry. The association program should be set up to do *both* of these jobs—always with the hope that every resource and energy can be poured into fire prevention.

Related is the basic theory on which the program operates—which in this case would be neither the “please the public” nor the “fighting” theory of public relations but the “bank account” theory requiring regular and sizable deposits in the Bank of Public Good Will so that

checks drawn on this account in emergencies will be honored by people generally.

Still another foundation stone involves the necessity for keeping targets (as developed by opinion research) constantly in sharp focus so that the word and action output of the program can be aimed at the target, not at the membership or the Board. This means productions designed to influence desired audiences, not to impress the principals who approve budgets. This means using the words of Main Street rather than the language of the board room. In many respects this is the most difficult foundation stone to lay because it can only be cemented in place by the confidence of principals in the competence of the staff. But it must be done.

Finally there is the foundation stone of *active* good will as contrasted with *passive* good will; the stone which compels the public relations practitioner to press beyond glittering generalities for a way to blend emotional appeal with cold logic, industry interest with public interest, to produce a degree of response that means sales in the market-place, wise ballot-marking in the voting booth and fair treatment in the chambers of government.

These are but a few of the stones out of which a firm foundation for an association's public relations program must be built. They apply alike to the largest and to the smallest of association programs.

## THE TOOLS OF ASSOCIATION PUBLIC RELATIONS

At the beginning of this chapter it was noted that "use of the tools of public relations (by an association) invites reappraisal of these tools." Part of this reappraisal has already been made in the preceding analysis of the difference between company and association public relations, the process of getting a program started, and some of the foundation stones on which it should be built.

But let's take a quick look at the tools of public relations entirely from the standpoint of their usefulness in association work—keeping in mind always that the skilled practitioner never uses more tools than necessary and that he habitually picks just the right tools to do a given job.

### I. ADVERTISING

When opinion research tells us that large groups of people hold erroneous concepts of an industry, advertising is usually called for simply because it is provably the most economical, the surest, the

quickest and the most efficient way to reach masses of people. However, its use by an association must be determined by a combination of factors—the budget, the size of the industry involved, the nature of its contacts with the general public, and the concentration of good and bad public opinion in regard to the industry.

Analysis of all these factors may point to the use of national publications, blanketing the nation with the truth. It may indicate that advertising in selected sectional publications is needed, or space in agricultural, professional, trade or other "class" media reaching specific groups. When the need for public education takes in broad segments of the population, or the whole population, the basic advertising job should be done by the association.

On the other hand, if the program is one which calls for educational work in particular communities, newspapers are the answer and the role of the association becomes one of preparing appropriate copy suggestions for member use (sometimes in mat form, mortised for local signature) and the operation of a control mechanism which will guard against conflicts of theme, duplication of effort and insure the most effective spread of advertising messages.

It is possible that both of these jobs may be required as they were in the railroad industry's public relations program where the national magazine advertising was done by the Association of American Railroads and the mechanism for coordination of institutional newspaper advertising sponsored by the individual railroads was set up by the three sectional associations. However, this is not an average case, although it illustrates the ideal of a national association speaking in national media and the members supplementing the national story by telling the same story over their own signatures and in their own way in local media.

#### Pitfalls To Avoid

One word of warning here: The association's public relations director should make an iron-clad rule that if the association's advertising copy is changed in any way whatsoever by a local sponsor, it must be signed by the sponsor or by someone other than the association. Unless such a rule is made and adhered to without exception, trouble is inevitable—and the association man will find himself holding the bag.

A cross that the association public relations man must often bear with a grin is the "town hall" method of turning out advertising copy. For this reason, the smaller the group with authority to approve copy, the easier the task becomes. The ideal, of course, is to leave this responsibility entirely in the hands of the association staff and its advertising

agency after adequate instructions as to objectives, basic themes, etc. The opposite extreme is a requirement that some large group of non-professionals (like the board) approve all copy—a procedure sure to wreck any advertising campaign. The public relations practitioner contemplating association work would do well to give this seemingly unimportant detail a large measure of attention if advertising is involved in the program.

Another difficulty frequently encountered in this field involves the selection of media for association advertising. Part of this trouble arises from the likes and dislikes of influential members. Part of it arises from solicitation pressures—upon members, in addition to staff and agency. And part of it comes from the sad fact that there is never enough money in any association budget to use all of the publications that could, and perhaps should, be used. It is best, therefore, to agree beforehand to leave media selection entirely in the hands of the staff and the agency, with the charge to make the best possible buy for the money available—regardless of all pressures.

### Selecting the Agency

Another headache is the problem of agency selection—where many members have their favorite agency (usually the agency which handles their account). A workable solution to this problem is to rule out arbitrarily all agencies which handle member accounts, on the grounds that it would be unfair to chance possible domination of the association's advertising by any one member.

What has been said might create the impression that periodical advertising should be a part of every association public relations program. This would be unfortunate. Advertising quickly runs into sizable amounts of money, and that is why it is so essential to document its use by the most intensive study possible. Furthermore, there are many situations where advertising *by the association* is the last thing that should be done. The answer here again is research; honest, objective research which will always disclose whether or not advertising is needed, where, when, why and by whom.

Again, mass circulation advertising, because of its coverage and cost, is primarily a responsibility for *national* associations. Smaller organizations, even those with geographical limitations, may find national advertising is needed, but great care should be exercised to avoid spending money for large chunks of waste circulation for self-satisfying prestige purposes. In such cases, newspapers and class, trade, sectional or other specialized periodicals deserve the most careful consideration.

Finally, the content of association advertising presents a difficult problem in that often it must deal with the common denominators of the business instead of specifics. But this is fundamentally a challenge to the copywriter—and there is no good reason why association advertising cannot be as persuasive and effective as that of any other advertiser, even if it does require more work, more ingenuity, clearer thinking and better writing to make common denominators appealing to the average reader.

### Daily and Weekly Newspaper Advertising

Newspapers come into the association advertising picture, as indicated before, when research or events point to the need for communicating ideas *quickly* to the American people as a whole or to residents of particular localities; for instance, plant cities or other geographical areas. They also figure in the larger picture as a medium for the supplemental, grassroots circulation of a story being told nationally by a national association. In addition, they provide an ideal medium for the public relations messages of those smaller associations whose interests and responsibilities are primarily local, state-wide or at most, sectional.

All that has been said regarding periodical advertising applies with equal force to newspaper advertising and its handling; in fact, with some added emphasis because of the time element involved in many cases. If many approvals must be obtained for copy or if the newspaper list to be used is to be influenced by pressures, the result, in terms of effective activity, will probably be "too little, too late." Some organizational provision must be made to assure centralized authority permitting quick decisions in any crisis that may develop.

On the other hand, it is always desirable to get local member opinion regarding local newspapers as advertising media, especially when budget limitations might compel a selection of papers. Such appraisals can be made periodically if there is a prospect of fairly continuous advertising, or preceding specific campaigns if time allows. In any event, it is always worth the effort—and always worth space in the office file for use "when, as, and if."

Too often, in the rush to get out newspaper advertising "while the iron is hot," the weekly newspapers are overlooked or passed up because of their number and their individually small circulations. No greater mistake could be made, for the weeklies offer a degree of readership, penetration and response that is always amazing. It might be well for every association man to paste a gentle reminder on the cover of his advertising file—"Don't forget the weeklies."

### Don't Overlook Farm Papers

Much of the same thing can be said for the nation's farm papers, especially in cases where good, sound Americanism is at the core of the story to be told.

It would be repetitious to mention in this chapter the basic considerations which should govern institutional advertising by an association—such things as timing of releases, the use of illustrations, lay-out, typography, the "you" approach or the semantic level of copy—except to add that they assume greater importance as the size and influence of the sponsoring association increases and the number of intensely interested, therefore critical, readers expands.

### Radio Advertising

If this section had opened with a discussion of radio advertising, little that has been written up to this point would have been changed. "Network radio programs" would be substituted for "periodical advertising", "local stations" for "newspapers", "small independent stations" for "weeklies", and "scripts" for "copy"—still the story would be essentially the same.

However, there are complications.

The best technique for public relations advertising on the air is most elusive. Almost every device has been tried—ranging from straight talks through debates or dramatizations to pure entertainment plus commercials. And so far there is little proof that any one of these techniques is superior. So perhaps the best clue for a starting point to determine program format, either network or local, is a thorough analysis of the preceding and following programs, the competing programs (on other networks or stations) and the general make-up of the day's or evening's offering for radio listeners. This analysis will do much toward reaching a sound decision as to the type of program that will produce the best results.

On the other side of the ledger, the association problem in connection with radio has been lightened by the increasing use of transcribed programs. This offers the association considerable freedom in arranging for local sponsors and for the injection of local interpretations of the basic story.

There is some tendency to become so familiar with radio programs (as a listener) that expert advice and help in writing scripts and producing shows is waved aside as unnecessary. Yet there is no more exacting and complex work than that of putting together a good radio

program. Therefore, it is far better to sacrifice some circulation than to cut on the cost of expert help—if there are budget limitations (as there probably will be).

### Some Do's and Don'ts

And let it be added here, that the broadcasting of Mr. Blimp's address on "The Future of the Cloth-Covered Button Industry" at the annual gathering of the button-coverers is a radio program in the sense that the term is used here. So if radio is to be a part of an association's public relations program, keep these admonitions in mind:

1. Be sure that your "message" is one that can be transmitted by ear alone.
2. Select a program format that fits the problem, the audience and its radio surroundings.
3. Get the most expert help available for writing and production.
4. Never underestimate the value of local interpretation and sponsorship.
5. Don't be afraid to try something new—you may turn up *the answer* to the problem of using radio effectively.

### 2. PUBLICITY

Another group of "must" activities for an association with a story to tell to the public is comprised of what is loosely termed publicity—in general magazines, news weeklies, farm papers, trade and special publications, newspapers and radio. It will serve no useful purpose to review the fundamentals of good publicity or the mechanics of handling it—first, because the subject is covered by experts elsewhere in this book; and, second, because there is no appreciable difference between publicity for an association and for an individual company.

The association publicist, however, must be careful never to wander into the territory of the company publicist (no matter how great the temptation) without permission. Moreover, he must face the fact that whereas the company publicist has much of his news made for him, the association publicist must make his own publicity bricks—often without much straw. Associations seldom make news as a by-product of their day-to-day operations; it must be manufactured, often as an end product in and of itself.

Another danger that the association publicist faces is the two-edged sword of too much publicity and not enough publicity. The first stems from yielding to the pressures of influential members or the desire to compile an impressive record of releases. The second stems from the

natural inclination of both principals and staff to become fed up with a story about the time that the public is becoming dimly aware that the association is trying to tell a story. The remedies in both cases are obvious.

Still another danger is the assumption of a high degree of interest and a large measure of understanding on the part of the public, resulting in publicity material that will bring cheers from members and boos from hard-pressed editors. The easy way to win accolades from association membership is unfortunately the easy way to make the editorial wastebasket.

#### Publicity Opportunities for the Association

Among the many publicity techniques that are particularly adaptable to an association program are these:

*Quick Answers.* One of the common defects of association publicity work is that of slowness. Often this is due to the necessity for multiple approvals—for which there is a remedy called confidence. But in too many cases it is simply a failure to set up the organization and machinery necessary to answer charges while they are still news. Certainly every association should be equipped to speak up promptly in behalf of its membership, with hours, not days, as a deadline.

*Press Conferences.* When there is real news to disseminate, the press conference is far superior to the press release as a publicity technique. It is an evidence of complete honesty, a token of sincerity, and it is so interpreted by most newspapermen because it gives them an opportunity to question the author of a statement—which incidentally should always be written and distributed at such a conference to assure accurate quotation. The association is a logical sponsor of such press conferences and this procedure should be used more often, but only for the announcement of real news.

*Localized News.* Local names are always news. It follows, therefore, that one of the best publicity avenues open to the association publicist is that of press releases localized by the use of names of local members. And this technique ties in with the best traditions of successful association work, i.e., that the members, not the association or the staff, are all-important.

*Letters to the Editor.* Here is a neglected but powerful publicity weapon particularly useful in association work, for few pages of the average newspaper or magazine are better read than Vox Populi. Everyone seems to recognize this fact—everyone except the business community.

*Background Material.* Another opportunity, especially for associations, is the furnishing to editorial writers, reporters, columnists and commentators of factual and statistical background material on the issues of the day as they relate to the interests of the association. This material should never be argumentative but should give writers a better understanding of the association's views on current news developments.

Most of the material mentioned in preceding paragraphs should, of course, be prepared by the association staff, including that intended only for local use by local members. All of which shapes up into a good-sized job.

Radio publicity has little in common with publicity for the press, except in the case of press conferences which are paralleled by radio interviews. Publicity for radio use must be short and snappy. It should present facts without argument or color. And it must be handled even faster than press publicity. In addition, radio generously offers many opportunities for the broadcasting of news and views. For instance:

*Forum and Debate Programs.* Here the association functions as a supplier of competent debaters or speakers when the subject of the program touches its interests. It can even promote such programs as part of its public education activity.

*Special Events Programs.* These give the association practitioner a chance to trot out his ranking officers for radio comment on events of significance—and the radio stations are always anxious to cooperate when they are convinced that the association's spokesman has something of value to contribute—especially when he is willing to participate in a question and answer type of program.

*Speeches and Special Broadcasts.* Sparing use of radio for speeches and monologues is recommended, unless the program content is meshed with some important news development. An association can quickly "wear out its welcome" if it asks for too much time for what to the average radio listener is just "talk".

Again, the association staff has a responsibility, not only to prepare scripts that sparkle, but to use great discretion in its selection of members to participate in radio programs—remembering that only a voice comes out of the loud-speaker.

Periodical publicity is likewise a field in itself; a field of individual, special projects rather than cover-all activity. But the association has a niche to fill here too—as a source of material that cannot be earmarked as "free advertising" for a particular competitive product or service. Therefore, time and plans for the development of special articles for selected publications should be part of most association programs.

### 3. LITERATURE

The association's role in pamphleteering should be primarily that of a producer, leaving distribution largely in the hands of member companies and other organizations which have a direct contact with key segments of the whole public. Once more, all that has been said about the problems of producing advertising copy, putting together radio programs and writing publicity applies to literature production.

The almost lost art of pamphleteering has recently been revived in this country through its use by the military forces during the war and by the forces of attack and defense of our traditional way of life. Used intelligently and with selective care, it is a powerful means of influencing key groups. Naturally it has a definite place in any association program intended to disseminate the truth about an industry or business.

#### Problems of Distribution

One of the major problems confronting an association with a pamphleteering job to do concerns the mechanics of economical distribution—and the larger the association the more complicated the problem becomes.

If the literature bears the association signature alone, suitable mailing lists can be built and maintained at the central office, usually by the consolidation of lists furnished by members and the elimination of duplications therein. But if it is imprinted with members' names and several members may want to distribute copies in the same community or to the same key groups, some form of control mechanism is obviously needed. This again is a job for the association, at least to the point of organizing the control committee.

One of the sacred cows of pamphleteering (worshipped for years by many public relations men, including the author) is that different pamphlets should be produced for every category of human beings—one for employees, another for stockholders, another for intellectual groups, etc., ad infinitum. Theoretically this opinion is sound; it should add something to the effectiveness of each pamphlet to be slanted to a specific audience. But in practice it usually bogs down under limitations of time, staff and budget—at the expense of the circulation and results which would come from the wide distribution of a good pamphlet on the equally sound theory that there is not much difference after all between the banker and the mechanic in so far as their reactions to word and picture stimuli are concerned.

With limited funds, as most associations have, here is an opportunity

to save money by considering most of the pamphleteering audience as a collection of very human individuals and turning out literature that will appeal to them—as human beings. This means fast-moving lay-out, simple but colorful language, attractive or intriguing illustrations, all salted with a high degree of emotional appeal.

There are, of course, exceptions—literature for use in schools and colleges or for highly technical groups—and it should be a part of every large association program to meet this need.

All in all, pamphleteering is a very useful tool in the hands of every association public relations man whatever his field may be and regardless of size.

#### 4. MOTION PICTURES

Except for the largest associations, original movies with sound are too expensive to produce and handle. Yet this medium of communication is one of the most effective available to the public relations worker today and, as such, deserves careful study in connection with any co-operative program.

One unfortunate tendency in this field is to concentrate on production and overlook the equally important element of distribution. In fact, it would be well if every movie project *started* with a thorough analysis as to how the film is to be promoted and circulated, where its audiences will be found, how they will be assembled, what will be the follow-up, and finally, who will attend to each one of the essential details. In many cases the answers to these questions could save large sums of money for, if they cannot be answered satisfactorily, it is foolish to go in for new movies.

As an alternative, there is always an opening for the association in the promotion, booking and handling of pictures made by members or other organizations—the film bureau operation by means of which carefully selected movies are offered free to schools, women's clubs, civic organizations and other groups.

Another alternative is the building of a satisfactory documentary film out of unused footage available in producers' libraries. With well-written and delivered narration, such films are often adequate for limited and special circulation.

A step lower in both expense and effectiveness, but still quite useful to the association are the sound-slide film and the illustrated lecture (slide film or plates with script), both of which are being used successfully by many organizations.

In general, motion pictures (or their cousins) must always be one of

the "special" tools in the association kit—tremendously effective when used properly, but dangerous when used inexpertly, or wasteful when done on a shoo string.

### 5. DISPLAYS AND POSTERS

Both displays and posters lend themselves readily to effective association public relations work. Their handling under such auspices presents the same problems as confront the individual company or organization—the compression of a message into a few words, the visualization of action and the interpretation, in terms of reader or see-er interest, of the significance of the story.

It might be helpful, however, to point out that displays and posters can be produced by an association in many cases where they could not be the product of a single company without becoming entangled in a competitive situation (as with downtown window displays, for instance) or running into heavy expense (as with color posters in small runs).

This is a wide-open field for pioneering, imaginative activity by association public relations officers, particularly in the setting up of displays that tell a story. Its full possibilities are yet to be explored, much less demonstrated.

### LEADERSHIP PROJECTS

Last, *but most important of all*, come those public relations activities which are designed to implement the responsibility of the association to provide leadership and help to its membership. They include such projects as:

The promotion of concordant public relations programs by the individual members and by groups of members in plant cities;

The recruiting and training of leaders within the membership for public relations work; and,

Special activities aimed at key segments of the general public—students, teachers, the clergy, women, to name a few.

### Stimulating Community Programs

The first of these may range from the frequent dissemination of helpful information about public relations work to actual experimentation with, or conduct of, community-wide (plant city) public relations programs. Many factors will determine how far an association can go in such leadership activity, but there can be no question as to the

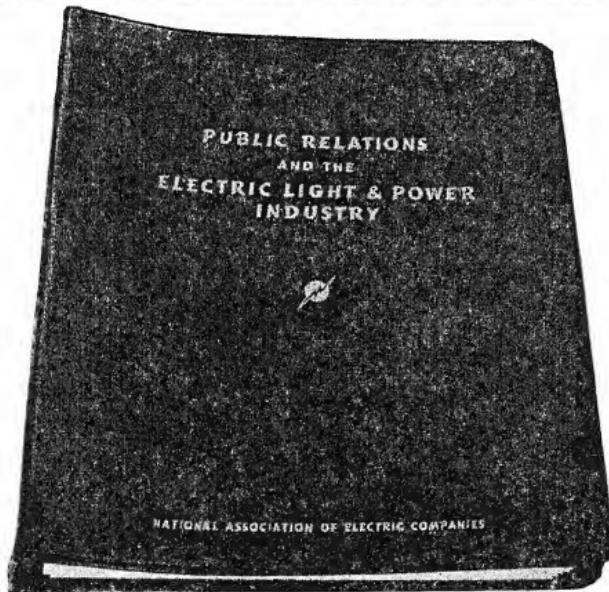
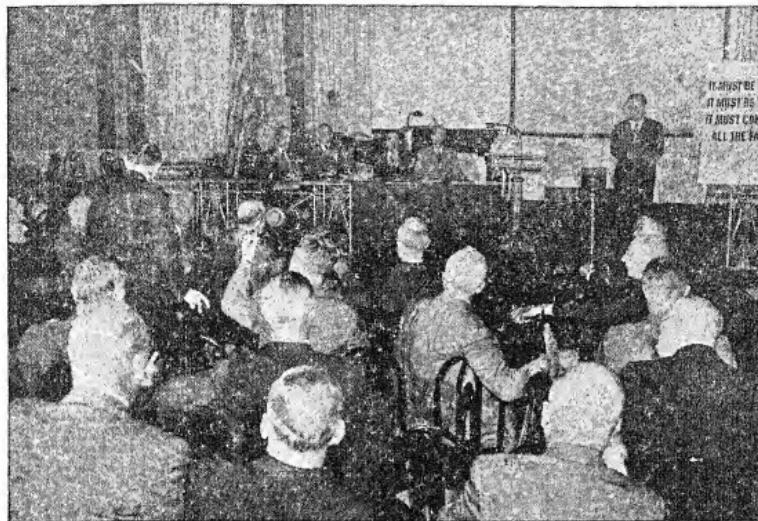


FIGURE 4.—UTILITY EXECUTIVES OF MEMBER COMPANIES ATTENDING A PUBLIC RELATIONS CLINIC HELD BY THE NATIONAL ASSOCIATION OF ELECTRIC COMPANIES; ALSO THE MANUAL OUTLINING POLICIES AND PROGRAMS.

wisdom of incorporating some degree of inspiration and guidance for members in every association program.

One thing should be pointed out in this connection. In most cases the success of such efforts at local levels is in direct ratio to the degree that the association providing the spark is able to shift the spotlight of publicity and public credit from itself to the member or members concerned.

Allied to this rich opportunity is the role of the association in synchronizing and harmonizing all of the public relations work being done by individual members and groups of members, especially as to theme and coverage.

It would be a waste of time to describe, even briefly, the ways in which an association can promote more and better public relations work by its membership. Conferences, committee meetings, seminars, speeches at conventions, case history reports are just a few of the devices now being used successfully by many associations. The point is that, in all cases, this responsibility should be recognized and acted upon.

#### Developing Public Relations Executives

The second responsibility mentioned above is closely related to the first in that one begets the other. If public relations programs come to the fore, leaders invariably pop up to run the show; if leaders are recruited and trained, public relations programs invariably follow.

While conferences to discuss public relations problems serve to bring out and indoctrinate potential leaders, these intermittent contacts with public relations are seldom enough. It is desirable in most cases, therefore, to tackle the problem directly—and this leads into the field of leader training courses, summer-school institutes and directed reading programs which have great value, not only to those exposed to these educational processes, but to their companies as well.

The "how" of such activities cannot be patterned because no two association situations will be the same. But the object, the need and the possible results are a common denominator of every association public relations program. It takes an army to win a fight!

#### Reaching Community Leaders

The third phase of the association's leadership responsibility is one which can be wholly an association activity, a joint association-membership activity, or wholly a membership activity. But in all cases, the association has a definite job to do.

Essentially this is the familiar approach to good public relations via the opinion-moulding groups—teachers, the clergy, leaders of women's clubs, and other community leaders. It involves primarily setting up the machinery to enable association members and these key groups to get better acquainted. It is as simple as that—for inevitably the friendships and better understanding which flow from the free discussion of matters of mutual interest produce amazing results in overcoming prejudice, correcting misinformation and stimulating cooperation—*on both sides*.

As part of this technique there can be exchange tours of industrial plants, schools, hospitals, welfare activities and other community assets. Likewise there are endless opportunities for the exchange of speaking platforms, literature, movies, radio programs and other forms of communication.

One of the best means of getting into leadership work of the kind mentioned briefly here is a standard association function—that of acting as a clearing house for the exchange of useful information. In this way, interest in public relations is aroused, questions are raised and eventually help is requested. By that time the association has compiled a wealth of information—case histories, blueprints for action, digests of articles, bibliographies, etc. These open the door to cooperative and coordinated activities and serve to break down natural resistance to the "leadership" idea.

It is impossible to assess these leadership activities too highly. If an association can do nothing else, it should accept the great and fundamental responsibility to help its members to "live right" and to publicize their "good deeds." In this day and age of the consumer plebiscite, no association can do less.

### CONCLUSION

The opportunities in association public relations work today are almost unlimited. In recent years organization after organization has announced the inauguration of ambitious plans to reach out for public understanding and public support. Yet no more than a start has been made. There are hundreds of associations which have yet to do more than talk about the probable necessity for some kind of public relations program. These associations should recognize that a few national programs have been conspicuously successful recently in doing a promotion job in the public interest and making the public understand and appreciate the problems and contributions of the sponsoring industries.

### Editors' Note

Business associations have given more concentrated attention to public relations since V-J Day than in all of the previous century. Every convention devotes a substantial part of its program to public relations, and some think and talk of little else. The subject is stressed in all association promotion, in messages to members, in advertising and in every manifestation of association activity.

This arises in part from the fact that public relations is the first concern of most management today. It is a reflection too of the planned programs of such groups as the American Trade Association Executives, Chamber of Commerce of the United States, National Association of Manufacturers, American Management Association, and similar horizontal associations. ATAE has compiled a small textbook of guidance to its members in planning programs for their own associations and affiliated organizations.

The outstanding development in this trend is the abandonment of the traditional assumption of association executives that the central body could do the whole public relations job for its members and its industries. It is coming to be almost universal practice that the national association handles only the broadest national problems. Its principal function in public relations is to do the research and provide stimulation and guidance for its members doing the basic job at the community level.

### Some Effective Training Programs

One of the most important functions of the association in any public relations program is training the executives of its member companies to carry out the plan on a local and regional basis and to do a community job in their own areas. An outstanding example of this operation is the program of National Association of Electric Companies. This relatively new association gathered the top executives of its 110 member companies into seven regional meetings, where they spent a full day studying the program and techniques for executing it. At the end of the day each participant was given a big bound volume of all the case histories used and a complete outline of public relations procedure and philosophy for the industry.

National Automatic Merchandising Association representing the

vending machine industry, holds a series of regional meetings at which executives and principal supervisors go through long programs of indoctrination and pass examinations in the form of "quiz kids" tests. All members also receive a monthly "Public Relations Bulletin" and detailed reports on all clinics.

National Association of Manufacturers not only holds regional conferences for top executives but it also sets up direct contact through its regional offices. In each of these offices a public relations expert confers constantly with individual members on the strategy of adapting the national program to community operations, and gives constructive advice to member companies in shaping their own programs.

Every year a sponsoring group of 32 public relations directors of important NAM member companies holds a two-day public relations conference. This is attended by public relations and management executives from all over the country who convene to observe and study highly dramatic presentations of case histories and practical public relations programs largely translated in terms of community interest.

One of the most practical programs for teaching public relations to top management of member companies is that of the New England Gas Association. It does a concentrated job of research and acts as a clearing house in which the public relations plans and procedures of every member are available to every other member. Because of the co-operative spirit of this enterprise, the top executives of New England's gas companies spend more time and relatively more money on industry public relations than those of almost any other group in the country.

#### Government Relations

There can be no fixed rules of program for relations with government on any broad industry basis. But every association can and should help its members and its industry to improve those relationships. The simple public relations rule most often violated in this area is that industries are always *asking* and seldom *giving* anything to agencies of government. Patterns set up by International Harvester for cooperation with county agents and the Department of Agriculture might well be a pattern for industries in discovering how they can give more to and receive more from the agencies of government. Incidentally hundreds of invaluable services available free to industry are seldom used because associations have failed to make it a part of their public relations to discover these facilities and guide members in the use of them.

Most national associations do an excellent job of watching government activities for their members. They report accurately on un-

favorable legislation threatened and on the progress of legislative projects that are favored by the industry. The major weakness of these activities is that association executives in Washington have been jealous of their own government contacts and of their influence in government circles. Instead of training member executives in establishing and keeping alive warm personal contacts in Washington, they were usually disposed to discourage such direct and extremely helpful procedure.

### Telling the Industry Story to Schools

Associations have barely scratched the surface of the potentialities of telling industry's story through the schools. This is a particularly logical field for the operation of a national association. Educators and teachers until recently have been almost unanimous in suspecting teaching materials provided by individual corporations on the assumption that there must be hidden, somewhere, propaganda for the sale of the company's goods and services. The association may tell the story of aviation without being suspected of trying to promote any particular plane or service.

Occasionally an effective program develops quite by accident. The Rubber Manufacturers Association prepared a dramatic booklet telling the story of rubber's contribution to victory in the war. It was originally sent to press and radio and to top executives in the industry, along with a few copies to school libraries. Teachers and educators were fascinated by the booklet. They decided it was an exceptionally effective teaching tool. Within a few weeks schools had asked for and received 125,000 copies which went directly to classrooms. (A wealth of guidance in the preparation and distribution of teaching materials for the schools will be found in Chapter XIV of Part V of this book.)

### Make Frequent and Dramatic Progress Reports

A conspicuous weakness in the public relations plans of associations is the failure or inadequacy of communication with members who must supply much of the money and manpower to make a program a success. Too often they fail to explain plans and programs step by step in their initial stages and to keep members informed of problems and accomplishments.

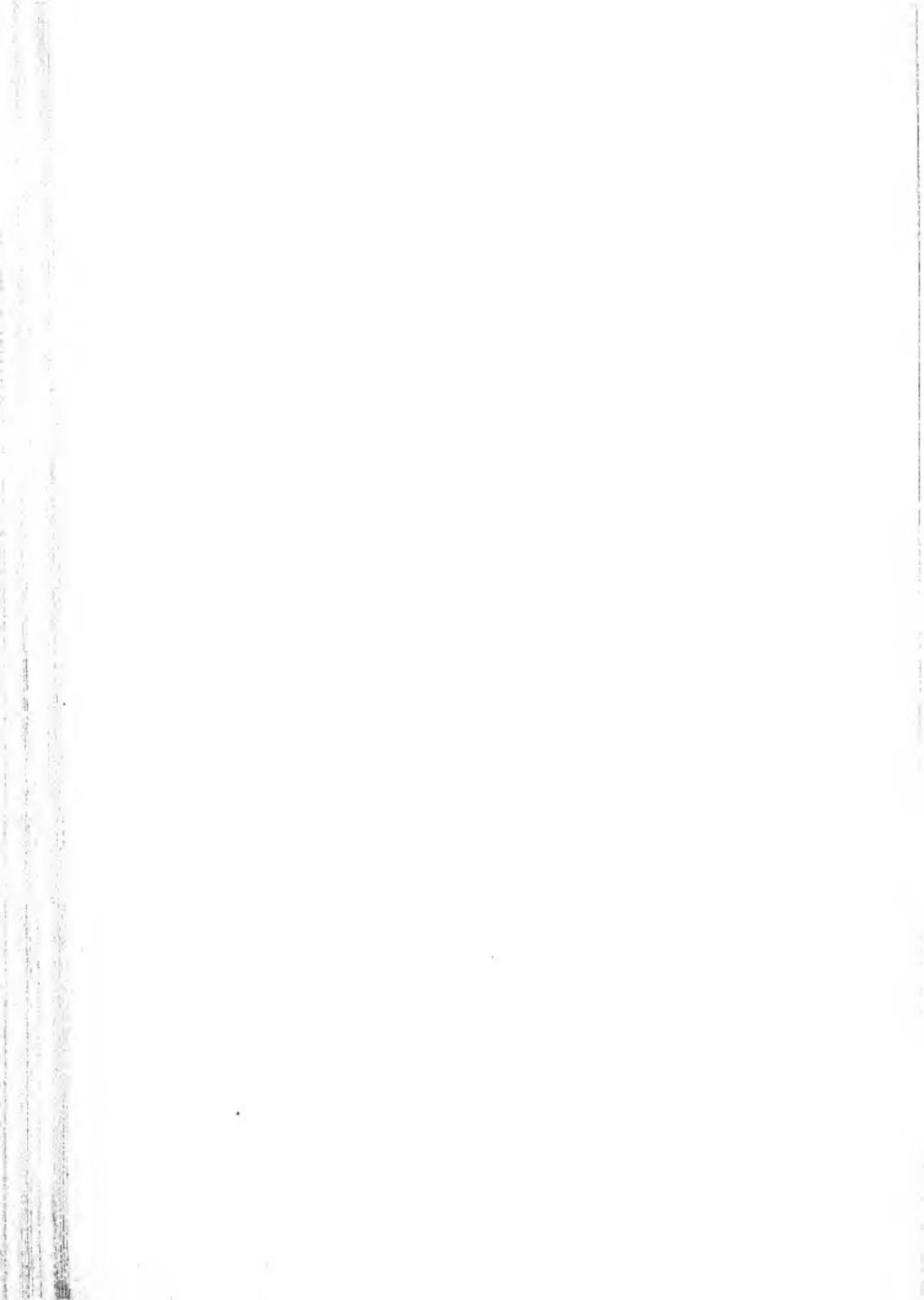
Among the exceptions to this general rule is the procedure of the International Association of Ice Cream Manufacturers and the National Dairy Council. This program to promote ice cream as a nutritious food was explained in detail before any public announcement of the plan

was made not only to executives of member companies, but to all of their personnel coming in contact with the public. As the campaign progressed, reports were made periodically. These not only described the campaign but they depicted specifically the part to be played in it by every person engaged in the industry.

As the time approached for building budgets and assessing the members for the next year's campaign, a big and dramatic brochure was prepared describing every aspect of the campaign in detail, charting its results and interpreting its purposes in terms of the self-interest of the whole personnel of the industry.

National associations are rapidly, even if belatedly, finding their proper place in the public relations picture. They are doing the job at the national level. They are making the research and providing the leadership and expert guidance which are beyond the facilities of individual members. And they are confessing to themselves and admonishing members that the over-all public relations job of any industry is no better than the total performance of individual members at the community level.

—G. G. and D. G.



*Part III*

THE BASIC AREAS OF  
PUBLIC RELATIONS



## HOW TO BUILD BETTER RELATIONS WITH EMPLOYEES

BY KIRK EARNSHAW  
Industrial Relations Editor,  
*Modern Industry*



**I**N INDUSTRIAL RELATIONS IS a vital part of public relations. And, paradoxically, public relations is only a part, though an important one, of industrial relations.

Industrial relations represents only that part of the broader picture of public relations that is confined to the relationships between management and its workers. Industrial relations includes the policies and practices of personnel administration, hiring, selection, training, wage setting, job evaluation, time studies—all the myriad techniques that have risen out of the complex modern relationships between manager and employee, between boss and worker.

The best-intentioned program of industrial relations, however, can't succeed unless public relations has its proper place on the organization chart. Naturally most management decisions—and certainly those in the field of industrial relations—are determined largely by economics. They are dollar-and-cents decisions.

But smart managers are adding another factor in every decision—public relations. They ask before making any decision: "Is it good public relations?" And: "How can this decision improve public relations?"

### Studebaker Puts Employee Interest First

A good example lies in the reconversion decisions made by the Studebaker Corporation, South Bend, Ind., right after V-J Day. Studebaker, like all automobile manufacturers, was all out on war work. It could cut expenses quickly by laying off most of its workers, re-tool for a new 1946 model and hope to get into the market as rapidly as the other companies.

Or, at greater cost risks, it could make an even faster switch back to production of its prewar model, using old designs and tools, and do its re-tooling while in production. Studebaker chose the latter course for public relations reasons. If reconversion could be completed with a minimum of lay-offs, the company would maintain better relations with its workers and with the community in which they and the company lived.

When other auto plants were closed down later by strikes of their own workers or by shortages of parts cut off by the struck plants of suppliers, Studebaker kept on making something. Substantial inventories of parts and sub-assemblies were stockpiled against the day when missing components would come through.

That Studebaker subsequently capitalized on this, had the jump on its competitors in getting its 1947 models in the market, is only a happy incidental. The decisions, affecting industrial relations as much as engineering, design, and sales, were based upon sound public relations policies.

### Public Relations Techniques Implement Industrial Relations

Just as good public relations should be a determining factor in industrial relations decisions, so public relations techniques should be used by management to put these decisions into practice.

Public relations can be the tool with which personnel administrators make a good program sing. It provides the means by which management policies can be translated into employee action and, better, employee understanding and cooperation.

Public relations can't sell *bad* management policies. It won't substitute for adequate wages. It won't make mines safe or keep washrooms clean.

But a good industrial relations program, its policies determined on



FIGURE 5.—ONE OF A SERIES OF ADVERTISEMENTS BY THE STUDEBAKER CORPORATION EMPHASIZING FATHER-AND-SON TEAMWORK WITHIN THE PLANT. ORIGINALLY INTENDED AS MORALE BUILDERS, THESE ADS PROVED TO HAVE STRONG PUBLIC APPEAL IN PRODUCT ADVERTISING.

principles of good public relations and its practices made more effective through the use of sound methods, can be a major influence in any company's over-all public relations program. All levels of management should know the role of public relations in the working of men together.

#### Communication between Management and Employees

The writer—and scores of both personnel and public relations authorities—likes to think of public relations in the industrial relations field as a two-way system of communication. In one phase of its function in management, the public relations program finds out what workers are thinking and channels that information to the policy makers of management. Then after policies have been made on the basis of this information—and with the advice of the public relations staff—communication from top to bottom is another public relations job.

Logically, the bottom-to-top channel must be studied first with its accepted methods through which the public relations staff can determine what workers are thinking about. But let's first examine the men whose

thoughts we will want to probe and to whom we must later direct the information which we seek to pass down.

### HISTORICAL BACKGROUND

The relationship between a man and his employer is the second oldest historically and second in importance in man's day-to-day life. It is exceeded in history and importance only by family relationships. A third of the waking time of the vast majority of men and a sizable number of women is actually spent under the roof or on the property of an employer and performing some task for him. If the relationship were confined to just those hours, it would still be significant. But the relationship carries over to wife or husband and dependents; it touches the lives of the employee's friends; it has a critical effect upon his entire life in terms of security, living standards, daily habits.

Industrial relations, as we find them today, started to emerge from feudalism when man for the first time began to work for others for hire. (The earlier relationships of master and slave and feudal baron and serf lacked the element of pay.)

By present-day standards, conditions during the period of those first steps towards the 20th century complex of social relations were woefully bad. Wages were low. Hours were long. Workers were little better than slaves—they could be fired without cause or explanation, or physically beaten.

But communications between worker and "management"—if the boss of that time be so-called—were direct. Many times, of course, the worker was afraid to talk or if he did, it was in a timid voice. The employer knew the employee's needs, knew his family situation, knew, perhaps without consciously considering it, a lot of what the employee was thinking about. And he certainly was able to tell his workers what he wanted them to do and to teach them how to do it.

### Gap Develops between Management and Labor

With the beginning of the industrial revolution, society became more complicated. As the number of hands increased in mills, stores and offices, the direct relationship between owner and employee weakened. "Management" stepped between the two—an impersonal force that, while serving ostensibly as a channel for communication from top to bottom, too frequently became a barrier to bottom-to-top communications.

This relationship has become weaker and weaker as plants have

grown. Today's ownership is diffused among stockholders. Top managers are separated from workers by layer upon layer of more management. Through these layers it's impossible for "The Company" to know that Joe Doakes' little girl is ailing; nor can Joe appreciate the fact that a 10 percent increase in steel prices may close the plant.

It is the job of public relations, applied to the plant or office, to cut through those layers, to restore relationships in which employer and employee can work together with understanding and mutual respect.

### Development of Union Movement

An accompanying phenomenon has been the rise of labor unions with their particularly accelerated growth during the last fifteen years. Just as production has become increasingly socialized into a complex grouping of many simple tasks, so has grown the desire of workers for socialized organization. A working class—if not an actual proletariat—has emerged in which wage earners found common bonds, by craft or industry, and have united.

Actually the unions have been formed chiefly as the result of bad—or sorely misguided—public relations on the part of several generations of management. Absentee ownership, inadequate wages, insecurity, bad working conditions, health and safety hazards, oppression—all these and other attributes of bad public and industrial relations have built far more unions than have radical agitators.

"Agitators"—to use the calmest epithet given to those who lead causes to which a majority of people or a ruling minority object—certainly have directed the organization of many unions and risen to leadership in them. The wave of migration in the mid-eighties brought sturdy farmers and skilled workers—and also some revolutionaries and some new ideas. The turn of the century brought still other people and more ideas. The eight-hour day fight was started by German anarchists; the closed shop and industry-wide bargaining in the garment trades were won by Russian and German Jewish socialists.

The trade unions represent a typically American amalgam of the races and nationalities and ideologies of the people. The rank and file represents a cross section of the citizenry employed in industry. The average leadership is left of center—but generally not un-American nor even too pronouncedly anti-management.

### Radical Infiltration

The exception is the small, raucous, well-organized Communist minority, which, through well-disciplined fractions, through tactics of bor-

ing from within and winning personal prestige by super-militancy, and by parliamentary cunning, exercises control over some international and local unions and keeps others in a constant state of turmoil.

By and large, however, the union must be considered for what it is—an organization born of economic conditions for which management was often largely responsible, an organization that is legally protected by the courts and the Congress, an organization that is here to stay. It competes for the loyalty of the employee. It is a buffer between him and management, when management is bad. It is his voice against what he considers unfairness. It supplies an intangible social outlet from the monotony of the average industrial job.

Above all, the public relations man realizes that the union is his competition. He must, by using legitimate techniques of public relations win the understanding, the loyalty and the cooperation of workers.

And knocking your competitor is never good public relations. Neither public nor industrial relations should be used to destroy or undermine an existing union. Good public relations may create the atmosphere of good will and cooperation that will make it unnecessary for a new union to organize. But don't conceive of public relations in the plant as a tool to bust the union; better to use it as a means of winning the union to your way of thinking.

#### The End of Oldtime Paternalism

With the greater elbowroom for management activity that is granted under the Taft-Hartley Act, there is a wonderful opportunity for management to apply some of its war-learned industrial relations techniques, tempered with the experiences in the failure of anti-union paternalism of the post-World War I period, and developing aggressive programs that will win worker cooperation and loyalty in the years just ahead.

World War II saw more than just the increase in union membership. It also created a great advance in management techniques—and particularly in the field of plant public relations. Employee services—from beauty parlors to psychiatric consultants—blossomed overnight. Nothing was too good for the worker in plants hard-pressed for manpower. The girls had to be coddled to keep them at work. Wartime industrial fatigue soared and means to ease it were developed. Absenteeism was fought with posters, pep meetings, rallies. Employee publications boomed. A new, scientific type of management paternalism was born of necessity.

This paternalism, which may continue under the direction of sound

public relations policies, was different from that of the early twenties when many companies were motivated chiefly by a desire to break established unions or prevent the organization of new ones. The famed Koehler and Hershey plans blew up in the faces of their sponsors. Fancy company-union set-ups, representation plans and other "independent" groups became the vanguard of the C. I. O. a decade later. Money was poured down the drain—in swimming pools, company housing, theatres and the like—unwanted and unused by workers more interested in bread than circuses.

There's less prospect of such expenditures boomeranging now. Where sound public relations policies dictate and paternalistic practices are developed to increase worker productivity and efficiency—and not purely as an anti-union device—there is room for honest management paternalism in industrial relations.

### HOW TO DETERMINE EMPLOYEE OPINIONS

Management experience with consumer research as well as general public recognition of the accuracy of opinion polls on political and other issues has directed a great deal of attention in recent months to formalized polling of employee opinions.

Actually management has always sought to find out what the workers are thinking about. Once it was just the friendly remark of the boss as he walked through the plant, "How're things, Joe?"

But with a hundred Joes or a thousand Joes, it isn't quite so simple.

Of thirteen well-defined methods that are being used in industry—chiefly by public relations people—to determine employee opinion, four represent types of polls. Three—the "open door," supervisory staff, and grievance machinery—are devices present in all plants but seldom adequately used as a means of channeling employee opinion to management. The balance are industrial relations methods or techniques common to many, if not most plants, but whose role in public relations is generally overlooked.

1. "*Open door.*" "My door is always open," the writer has been told by scores of company presidents, plant managers, foremen. "If any man has anything on his mind he knows he's free to see me—any time."

But red faces and sudden coughing seizures generally meet the quick question: "When was the last time anyone came through your open door?"

In some few smaller plants, the "open door" is really open. Hugo Goldsmith, shirt-sleeved president of MacGregor-Goldsmith Inc., at

Cincinnati, Ohio, is one of those executives to whom workers open up. He helped found the company and the older employees remember when he came back from sales trips and pitched in at the packing department to get his orders filled. He's never too busy to stop a conference or hold up a phone call or stop in the middle of dictation to beckon a worker approaching his door to come right in, sit down and talk it over.

Public relations people can make this method work by well-planned efforts to get the top management involved in down-the-line activities. The boss can be humanized. At Republic Drill and Tool Co., Chicago, a complaint was turned in by one worker that President Clarence Avildsen never smiled and that he cast a cloud of gloom over the employee cafeteria when he hurried in at noon. Management's reply to that was that Mr. Avildsen was deeply concerned about production problems—but that he would resume smiling at once. And his is another door that is really open.

Too much reliance should not be placed on the "open door" as a serious method of getting worker opinion. Its use can be sharpened in both large and small plants. But beware the company president who announces such a policy and dismisses other methods as superfluous.

2. *Grievance machinery.* In all organized plants and in many that are not organized there exists some apparatus for the airing and settlement of employee grievances. The conventional method is for the oral presentation of a complaint by the worker or his union representative to the foreman. If an on-the-spot settlement can't be made, a written grievance is submitted again to the foreman. If unsettled, the matter then follows up through the plant superintendent or personnel director, then to an over-all labor-management committee and, in a growing number of plants, to arbitration.

It is true that in many instances grievances are forced by union leaders. There is agitational value in complaints. Their existence leads to unrest, to disloyalty. If they aren't settled favorably to the worker, unrest and disloyalty increase. If they are settled in favor of the worker and the union, the latter cries "I told you so. We got it for you."

Because of this factor, some managements are prone to disregard all but the more spectacular union-brought grievances. Actually there has to be just a grain of truth in every complaint—and those grains are worth investigation by on-their-toes industrial relations staff people.

#### Handling Grievances at Thompson Products

Thompson Products Co., Cleveland, Ohio, has been sorely beset by

grievance troubles on several notable occasions when A. F. L., C. I. O. and independent unions were all trying to organize its workers. Several times it appeared that the race for members would be determined by which union filed the most grievances. But the Thompson management ordered its personnel staff to accept every complaint in good faith, grant hearings quickly, settle complaints fairly and fast. It was a nightmare for personnel, and the plant grievance machinery creaked and groaned under the burden, but it was good public relations. Some actually legitimate beefs came to light and were from that time avoided by elimination of the cause. From the public relations angle it worked too—there is still no union at Thompson!

### The Allis-Chalmers Method

Allis-Chalmers Mfg. Co., Milwaukee, Wis., uses an improved grievance machinery that served to iron out two common failures of management and industrial relations.

At Chalmers all grievances are written out and channeled through the discipline committee of the personnel department for settlement. They are then sent back, in multi-copies, through the organization as well as to the union and workers involved. The system establishes uniform discipline; a man isn't reprimanded for smoking in Dept. A and another man suspended a week for the same offense in Dept. B.

Also, foremen know what grievances are coming up in other departments, know what to watch for and avoid in the conduct of their own departments. In too many plants there is no exchange of grievance information at the lower level and the nature of grievances is never reported up the line to the top ranks of management and to the public relations man who might be able to do something about it. What could be a smooth channel for upward communications is too frequently iron-curtained by red tape.

3. *Supervisory staff.* The role of the supervisory employee in public relations will be discussed in greater detail later in this chapter in connection with the transmission of information from top to bottom in industry.

It is sufficient to note here that the factors which make it difficult for foremen to transmit management policies to workers make it doubly hard for him to channel opinions from bottom to top. If he doesn't feel that he is part of management, if his sympathies are closer to the interest of the union—then he can't act as the eyes and ears of management at the production or intermediate levels.

Another factor is that frequently the information that the foreman

should pass on to his superiors reflects in part on his own ability as a foreman.

In one steel mill, employees made repeated complaints to a certain foreman concerning a safety hazard. A good natured chap, the workers accepted his word that he had taken it up and that something would be done about it. He stalled and alibied—until one day there was an accident and a man was killed. Actually the foreman knew he should have reported the hazard weeks earlier—and was afraid that the safety department would cause trouble if he belatedly notified them. The company paid a healthy compensation settlement, lost a lot of good-will both in the plant and in the community, and, of course, fired the foreman. But good industrial relations could have avoided this and saved a life.

4. *Employee counselors.* Employee counselors are by no means a new adjunct to industrial relations. Western Electric Co. has used them successfully since the early days at its Hawthorne, Ill., plant. But World War II, particularly because of the rapid influx of women workers, created an entirely new interest in this activity.

Virtually all of the aircraft plants, Navy ordnance and shipyards and scores of other war establishments used counselors during the war. Many are continuing their use, modifying their duties somewhat, and assigning them to men as well as women workers.

They are generally staff members of the personnel department, report to personnel and for the most part have had some training in social service and social psychiatry in addition to personnel methods. During the war they ran child care centers, arranged for shopping, found out if foremen were making passes at the blonde in the tool crib.

Their duties are not quite as dramatic under peacetime conditions. But they do serve as sounding boards for employee opinion, male and female, and get information that employees hesitate to confide in direct line to supervisors and foremen.

At the General Electric Co. plant at Fort Wayne, Ind., there is an interesting variation of this. Staff members of the Elex Club, an organization of women workers there, serve in a counseling capacity with the assurance to the girls that their confidences will not be betrayed. In other plants this same policy is followed and better and more reliable information is passed on to higher management because the employees know they won't be put on the spot by talking freely.

Still another variation is found at Thompson Products and some other plants. There the personnel counselors are staff men and women who work side by side with the foremen in handling grievances and other

personnel problems. The set-up leaves the foreman free to devote all his time to direct supervision, instruction, planning, and discipline.

In any form such as this, trained counselors can do an effective job in measuring employee opinion and transmitting this vital information upstairs.

5. *Employee participation.* There's probably no more effective way of finding out what workers are thinking about—as well as telling them management's story and getting them on the management team—than persuading employees to work with management on common problems.

It was a widely accepted device for outsmarting the unions in the post-World War I era. Employee representation plans, employee councils, etc., were forerunners of many company unions.

That the idea was basically sound can be seen with the revival of the scheme as labor-management committees during World War II—

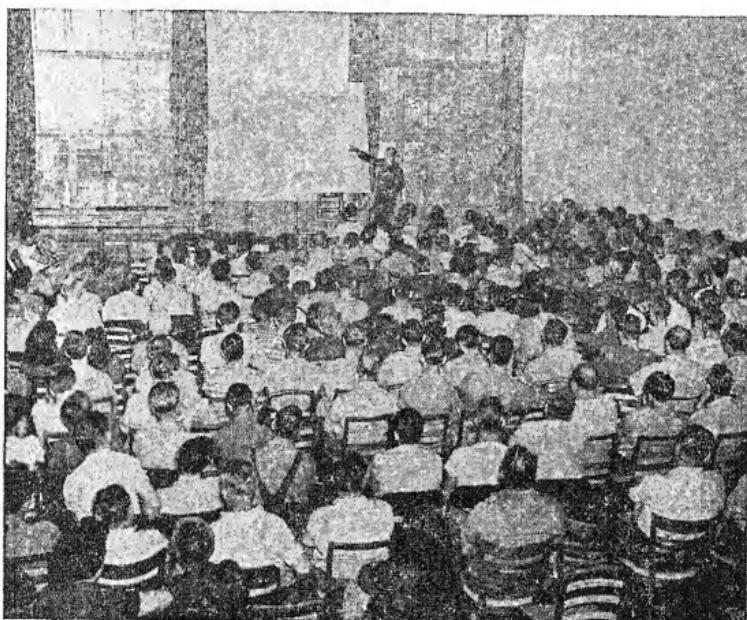


FIGURE 6.—ANNUAL "JOBHOLDERS' MEETINGS" AT WHICH EMPLOYEES OF PITNEY-BOWES, INC., IN GROUPS OF ABOUT 200, HEAR PRESIDENT WALTER H. WHEELER, JR., EXPLAIN THE ANNUAL REPORT AND TELL THE COMPANY'S PROFIT STORY.

but with far different objectives. Companies were under pressure to form them—no L-M committee, no Army-Navy E. But they did serve their purpose of getting out production through teamwork. They were sabotaged by unions in some places, by managements in others. But by and large they did their job and left their mark on industrial relations.

They also provided a great entering wedge for the public relations specialist in industrial relations work and helped place industrial relations in its proper spot as an integral part of public relations.

There remain, in peace, many plant activities in which labor and management can fruitfully work together. Safety, health, recreation, cafeteria, housing, charity drives are just a few of the safe areas in which labor and management can work together without risk of becoming embroiled over union matters. And this risk can be further minimized if it is clearly understood from the start that the work of such joint committees is entirely advisory and that their recommendations are not to encroach on the prerogatives of either management or the union.

American Rolling Mill Co., for example, has long maintained employee committees on safety. Membership is rotated and committees are exchanged between departments and between plants. ARMCO not only gets some good safety hints from these committees, but it uses them both to pass along management policy to the workers and to get employee opinions from them.

Benge Associates, a consulting firm of Chicago, uses labor-management committees in establishing job-evaluation programs. Called in to do a job evaluation, Benge engineers contact the union, arrange to have employee representatives sit in with the company and with outside job analysts and time study men. From the meetings of these groups come a better understanding of management problems; but also the employees feed into management ideas and opinions that management wouldn't get from other channels.

6. *Espionage.* The use of spies is recommended to no company but mentioned because it does exist and it may seem tempting to some managements. "Labor spy" is a word as abhorrent to the general public as it is to labor. Exposure can upset the best planned public and labor relations program.

7. *Employee publication.* More will be said of the employee publication in this chapter and in Chapter XXII. In passing, however, the use of the employee publication and its staff in polling worker opinion is worth mention.

The paper itself can be used as a sounding board for worker opinion,

within limits. The inquiring reporter is a safe way, as the editors can select proper questions. Letters to the editor are included in a few papers. News stories, themselves, can reflect employee opinion. It is however the trained, objective reporter or editor with freedom of movement within the plant who can best serve management in getting vital information.

The Mengel Co., Louisville, Ky., thinks so well of this method that it keeps one editor constantly on the road visiting the company's scattered plants, interviewing workers, finding out what they are thinking about. He's getting stories and ideas for stories that should be written; but he's also getting concrete information on which to base the company's plant public relations program for the future.

8. *Suggestion system.* There is a wide division of opinion among industrial relations experts on the role of the suggestion system in obtaining employee viewpoints. Many believe that the suggestion system (discussed in greater detail in Chapter XXVII) should be confined to handling employee ideas on production problems—new methods, new tools, new materials. Safety suggestions are generally admissible under most plans. In such companies, the suggestion system is usually administered by the engineering or methods department with public relations called in only to help promote the system on a top-to-bottom basis.

In other companies (United Air Lines is a notable example) far greater latitude in the subject matter of suggestions is given to workers. Complaints are entertained—on the reasonable premise that it is better for an individual worker to frame a complaint in the form of a suggestion (for which he may be rewarded by management) than for him to take it to the union as a formal grievance.

In such companies, suggestions that affect such things as the menu in the cafeteria, smoking rules, the condition of the toilets, are promptly referred to industrial relations. If the complaint is valid and management makes some change in policy or practice because of it, the employee making the suggestion is rewarded just as if he had come up with an important cost-saving idea.

But the ideas of this nature are speedily channeled to public or industrial relations and aid them in formulating policy.

9. *"Gripe boxes."* For the company that wants to restrict its suggestion system to positive, rather than negative or critical employee ideas, the gripe box is a solution. At So-Lo Works, for example, there is a gripe box right alongside the suggestion box and an invitation to workers to submit their complaints anonymously or with signature.

Republic Drill and Tool is another company that uses this device

effectively, tying it in with a periodic publication, the *Republic Forum* in which the complaints are printed in full with the management's response. In this case a single medium is used both to solicit employee opinion and to influence it. Management doesn't censor the employee letters (except that obvious libel is avoided and the names of individuals against whom complaints are made are sometimes deleted for fairness) and it answers these complaints in full.

At one time when the C. I. O. was seeking unsuccessfully to organize the plant, letters obviously coming from pro-C. I. O. sources were printed in full and management gave itself equal space in which to answer them. The give-and-take of this printed debate was well within the limits of the Wagner Act. Republic has found the gripe box a definite method of obtaining employee opinions and of guiding industrial relations in solving problems that might otherwise fester into serious labor difficulties.

10. *Supervised questionnaires.* Of the four most common methods of polling employee opinion, the one most likely to obtain the maximum coverage is the supervised questionnaire.

Such questionnaires are submitted to employees on company time, usually in small groups, and filled out under supervision of either company personnel or public relations staff members or experts from an outside agency. Among the latter, leading specialists in this field are Benge Associates, Chicago; Opinion Research Corporation, Princeton, N. J.; and The Psychological Corporation, New York. Many engineering consulting firms and the psychology departments of many schools and colleges can also aid industry in the preparation of adequate questionnaires.

The scope of such questionnaires may range from simple, broad inquiries that will define general employee attitudes toward management and management problems; or they may be extremely detailed with information on specific departments, on working conditions, on plant personalities.

In all questionnaires it is essential that the employee be assured of anonymity. He won't talk to an interviewer freely, or answer questions freely if he suspects that what he says or writes can be used against him. For that reason the poll is best taken by an outside agency. In some cases, questionnaires filled in under supervision are deposited by the employees in a sealed ballot box which is then mailed or expressed to the offices of the agency conducting the survey.

11. *Voluntary questionnaires.* Somewhat simple questionnaires are generally used when the poll is entirely voluntary with the employees

answering on their own time at their homes and mailing their returns or dropping them at deposit boxes in the plant.

The coverage, of course, is not as broad but the replies, particularly if open-end questions permitting the broadest expression of opinion are included, may be more frank.

Ford Motor Co., in conducting a series of questionnaires of this sort, reported a 25 percent response on broad questions concerning employee attitudes toward the company. Distribution is through letters sent to the workers at their homes. A possible peculiarity in the flow of answers has been detected by the Ford management: nearly half the responses were received within three days of delivery to the workers and most of the balance, after a period of scattered answers, in a sudden flood. The uneven flow suggests that the union applied some pressure in the interim period and that the answers in the second batch might not be as objective as those in the first wave of spontaneous replies. Of course it may have been only that workers got a chance to talk the questionnaire over among themselves and then answered.

12. *Spot interviews.* Frequently a better poll of employee opinion may be obtained through the use of professional interviewers to question employees, selected at random, in their homes. The questions usually follow a predetermined pattern to elicit information along the lines sought by management. Of course the employee is no longer anonymous in such interviews, but fear of exposure can be minimized if the honesty of both the management and the agency making the survey has been established. This type has some advantages over the written questionnaire: the group of workers studied may be more representative and not confined to the articulate workers who would answer a voluntary questionnaire and who may be heavily prejudiced for or against management; the interview may be directed into channels through which information more important to management may be obtained.

13. *Depth interviews.* Frequently used as a preliminary to drafting questionnaires for broad application, depth interviews are handled by highly skilled interviewers who closely question at length a selected handful of employees. Such interviews may require half a day apiece but from them may come sufficient data to answer all of the questions that are perplexing management. The reliability of such spot interviewing depends upon the ability of the interviewer in obtaining frank answers from a representative cross-section of workers.

The merit in all these poll forms of opinion gathering depends on the ability of interviewers and the quality of questions asked—and the de-

gree of frankness that can be obtained from employees. Analysis of the answers is equally important.

These methods can be used by companies independently but the employment of outside specialists is usually recommended.

Opinion polling by any of these thirteen methods, however, means nothing if the results are not translated into action through the industrial relations department.

A classic example of failure to use this material is that of an Eastern shipyard early in the war. The writer was seeking data on the causes of absenteeism back in the time before it even became a common expression in management and labor circles. Inquiry at the yard revealed that more than 1,000 employees who had missed more than two days a month from work had been sent letters by an "attendance committee" asking an explanation for their absence. The replies had been checked off by the committee as "good" or "bad" and tossed into a drawer.

When they were dug up and studied *together* they revealed the real causes for absenteeism in the yard—put the finger on such things as inadequate shopping facilities, bad housing, poor transportation, draft-board appointments. They gave this company an outline for one of the earliest wartime employee service programs.

### PUBLIC RELATIONS TOOLS FOR BETTER LABOR RELATIONS

Thus far this chapter has largely reviewed methods that management can use to determine employee opinion. With a knowledge of worker thinking and management aims, it's up to the public relations staff to use the tools of its trade to get information flowing smoothly from top to bottom.

"Information" as it is used here covers many possible subjects ranging from instructions and orders, regulations, explanations of company plans, news of company and employee activities, to educational material on company policy or the policies of industry generally. Some of the media discussed below are particularly suited to certain sorts of management messages. The smart public relations man will use them as an orchestral composer uses his woodwinds to carry one theme, his brasses another.

1. *Supervision.* The first line of communications from top management to employees is—or should be—the plant foremen and supervisory employees. As a part of management they should be telling management's story constantly; they should be interpreting favorably manage-

ment policies and management actions; they should be able to tell the why's of every management decision affecting the lives and conduct of the employees working under them. Unfortunately this is seldom the case.

In many plants the contacts of the foreman with really top-flight management is as infrequent as that of the production worker. He just takes orders from someone else up the line. Several layers of management separate him from authority.

Foremen, like non-commissioned officers in the army, come usually from the ranks of production workers. In a pinch their sympathies are more likely to lie with the men from whom they have come rather than with the "brass" of industry's commissioned officers.

Another contributing factor to the bad condition of foremanship generally throughout business and industry is the inadequacies of salaries and wages. In many factories, skilled workers with overtime and incentive bonuses take home more pay than the men who supervise them. It's another strike against management in the mind of the foreman.

Another type of foreman that can cause trouble for management is the supervisor who is violently anti-union, perhaps because he feels that he has been pushed around by union members or shop stewards, that his prerogatives have been usurped by the union or even by staff functionaries of the personnel department. Such a foreman with a chip on his shoulder toward the men under him and the organization to which they belong can hardly be expected to do a successful job of selling management policies.

Better training of supervision becomes a first must in any successful program of plant public relations.

#### Making Foremen a Part of Management

It is essential, if the foreman is to be made to feel that he is a part of management, that management let him know what's going on. He should know both what is back of major company decisions and the reasons for the smallest changes in his own department or those close to his.

In a Buffalo plant shortly after the war, a foreman was confronted by a group of puzzled and angry workers who wanted to know if it was true that the hole being dug in the floor was to house the base of a new machine that would eliminate half their jobs. The foreman scratched his head and frankly said, "Damned if I know what it's for."

Actually the new machine would eliminate no jobs but would speed production and make possible a larger group-incentive bonus for the

workers in the department. Because management hadn't told the foreman—and the workers—the workers were distrustful and the foreman's prestige was seriously undermined.

For just such changes as these, companies like Lincoln Electric, Cleveland, Ohio, include the foreman from the very beginning. He is consulted in the earliest planning, made to feel that his advice is needed (and it is) and placed in a position to carry a management message directly to the men working under him. It increases their trust in management, too, of course.

At Bausch & Lomb Optical Co., Rochester, N. Y., an important phase of making the supervisors part of management is weekly distribution of reports from the controller's office. Under B & L's nationally known system of budgetary control, every foreman knows months in advance what his production should be, how much manpower he may use, what his inventories of raw materials and goods in process should be. He has his bogey before him and weekly reports that show whether he is over or below his budgeted figures. With them he becomes more than an errand boy for some intangible thing called management; he is himself a manager with all of the problems of a manager—and a part of the larger company team.

#### Other Companies' Techniques

An alert public relations man in another plant—which for obvious reasons shall remain nameless—handled the same matter in a slightly different but very effective manner. He simply stamped "CONFIDENTIAL" across the weekly reports that went to a handful of major production chiefs. The latter called in foremen occasionally and, with promises of secrecy, permitted them to see these "top-drawer" papers. Reluctantly they let the foremen borrow these reports from time to time—until finally the foremen asked permission to get them regularly. Top management—which wanted to get the foremen to read these bulletins from the start—was consulted and after due consideration consented. The confidential reports are now a constant reminder that the supervisors are part of management.

American Rolling Mill prepares a mimeographed weekly news-letter that goes exclusively to its foremen. The letter (and bulletins prepared to meet fast-developing changes in policies or operations) informs foremen of inside details of company affairs. They are kept abreast of current economic changes, of supply and market conditions.

ARMCO uses another simple device: foremen, instead of receiving badges that admit them to their own building or department, are issued

cards, signed by the company's president, designating them as members of the supervisory staff and permitting them entrance to all departments, buildings and plants of the corporation.

These are just some of the "gadgety" methods being successfully used by a few companies.

Basic is the continuous and intensive training of foremen in regular classes, meetings with top company officials, and foremen's club activities. The "Foremen's Basic Training Kit" of the American Management Assn. and the training outlines and other literature of the National Assn. of Foremen's Clubs, the National Assn. of Manufacturers, and the National Foremen's Institute can provide all managements with useful material for establishing training programs.

The management training course given annually by Carrier Corp. at Rochester, N. Y., is particularly well suited for foremen, although at Carrier all workers who wish to take the course may do so within the limits of the seating capacity of the hall used. In this course top officials of the company and outside authorities on different phases of business give a series of evening lectures on company and general business policies and economics.

Groups of companies in both Toledo and Dayton, Ohio, arrange regular plant visits for members of the city-wide foremen's clubs. The exchange of confidences between foremen from different companies and their mingling with the top managements of these companies is an effective means of associating these men with the management group.

2. *Bulletin-boards.* Perhaps it seems ridiculous to include such a simple thing as a bulletin-board in a listing of public relations devices for better industrial relations. But the bulletin-board, particularly in the small plant, can fulfill many of the functions of a newspaper. It is so important, that in such plants as Boeing and in Kaiser's shipyards on the West Coast a regular crew of men was assigned to the maintenance of bulletin-boards during the war.

If the plant public relations man by any chance thinks that bulletin-boards are unimportant have him look back to the first demands of the union when it came into the plant: the right of the union to use bulletin-boards.

The bulletin-board is essentially a means of posting permanent regulations or changing instructions or notices. But to get readership it has to be placed strategically (where the most employees will see it, but won't block traffic reading it); it must be interesting and it must change. If it doesn't change, it becomes a part of the furniture—as interesting to

the worker as the small type of the instructions on the fire-extinguishers.

If bulletins are changed regularly, use different colors of paper to get attention. One company with a large bulletin-board has built in a spotlight which shines on the latest bulletin posted. Hallicrafters, Inc., of Chicago, posts on its bulletin-board every advertisement of the company, every press release, every newspaper mention or magazine story about the company, its products or its personnel.

Standard Oil of N. J. tells the history and growth of the company with a series of traveling photographs that are exhibited in specially built, well-lighted display panels. A number of small plants prepare photographic stories, using the techniques of commercial picture magazines, make up duplicate sets of prints and mount them with captions on bulletin-boards throughout the plant.

The bulletin-board can also be used to mount component parts of the company's products so that the employee in each department can see where the work he does fits into the end products.

The bulletin-board *can* become a plant newspaper, a vital tool in plant public relations.

3. *Payroll inserts.* There's a chance to pack a management message in the most important missive every worker receives regularly from management—his pay envelope.

The payroll insert has been used by scores of companies with success for many years. The message can range from notices of changes in practices or policies of management to inspirational material. Costs can be negligible.

Style and content of such messages should be watched closely, however. And there is a serious question as to the value of using inserts week in and week out. There's always the chance that under such conditions the average employee will glance at the insert with a "What's the old man talking about this week?" Or toss the management message on the floor without glancing at it. Better use the insert sparingly—when management has an important story to tell.

4. *News-letter.* More formal than the payroll insert, yet not as formal as the company publication, the news-letter is being used effectively in a number of plants. Addressed to the employee at his home, usually it has a better chance of being read than material distributed at the plant. And being delivered at home, there is a good chance that the worker's wife or husband will also read it. Style and format, both informal, are good bids for employee readership.

Bridgeport Brass Corp., Bridgeport, Conn., after an unexpected strike

that terminated an unusually happy period of industrial relations throughout the entire war period, greeted returned strikers with a lengthy personal letter from the company's president, Herman Stein-kraus, welcoming the workers and explaining some of the causes of the strike. Subsequent letters have kept the employees informed as to company policy and company plans. The letters have not supplanted the well-edited employee publication but their chatty, frank informality have done much to improve labor relations in the plant since the strike.

Huffman Manufacturing Co., Dayton, Ohio, supplements its regular monthly employee magazine with a weekly one-page, mimeographed news-letter that covers both plant news and management comments on current events bearing upon general management and business policies.

The news-letter is particularly effective in reaching white-collar workers and supervisory employees.

5. *Employee publications.* The war gave great impetus to the development of employee publications. It is estimated that upwards of 50,000,000 persons—workers, their families and their friends—now regularly read publications edited for the employees of American industry and business. The great increase in readership has been accompanied by tremendous strides forward in the professional standards of these publications and by the growth of such organizations as the International Council of Industrial Editors. Local and regional organizations of industrial editors and such professional training in this field as is offered by the industrial journalism division of Northwestern University's Medill School of Journalism at Chicago, are further evidences of the importance management attaches to the employee publication.

Employee publications can be edited to fit any size of plant and meet any budget. They range from simple mimeographed weekly publications to the costly, slick-paper monthly magazines of General Motors Corp., Standard Oil of N. J., Monsanto Chemical Co. and other such huge corporations. Bronx Hardware Co., a wholesale distributing and warehousing concern in New York, for example, puts out a professional-quality mimeograph job—for 45 employees. One large company spends just slightly over \$6 per year per employee on its slick-paper magazine.

By and large, the trend in these publications is towards less gossip and trivia and towards more solid, professionally written and prepared information. The impact of such magazines as *Life* and *Look* in the general field and of *Modern Industry* in the industrial field has created a trend towards more and better pictures and picture stories.

Multi-plant companies are swinging away from the single publication in favor of publications that will carry some features for all plants but will have sections or inserts for each particular plant. General Motors Corporation's *GM Folks* issues but a single edition that goes to all plants. Ford Motor Co. on the other hand has separate editions for each of its plants but runs certain features in all editions.

6. *Employee meetings.* A wartime necessity and a sure-fire morale builder, employee meetings should not be forgotten in peacetime. They can be used to put over specific programs or policies, to make announcements (with opportunity to explain details and answer questions) or they can combine educational with recreational material.

The McCormick Co., Baltimore spice importer and manufacturer, for example, holds meetings of all its employees monthly immediately after the lunch hour. The meetings are short, speakers and presiding officers change.

In conducting meetings of employees, however, several things should be remembered. If the meeting is in the interest of management primarily, it should be held on company time and at company expense. If it is of general interest and not chiefly for the management, it may be held during the lunch period or rest period or after work hours with attendance voluntary. If the subject matter deals with unions in any manner, attendance must be voluntary. The courts and the National Labor Relations Board have held that management cannot say things to a "captive audience"—a group of workers meeting on company property, at company expense and at company direction—that it can say with immunity to a voluntary audience.

7. *Public-address system.* Bill Jack, wartime president of Cleveland's famed Jack & Heintz Precision Instruments Co., is probably one of the best known management devotees of the public-address system. A victim of insomnia, Jack regularly dropped in to his office at 4 or 5 o'clock in the morning, picked up the microphone on his desk, switched on the address system that reached his scattered plants and delivered a brief pep-talk to the third-shift workers. He might comment on the weather, the high incidence of absenteeism in Dept. B, or the necessity of completing such-and-such an order in Building A. The talks were recorded, repeated later for the first and second shifts.

Most public relations people, including some at Jack & Heintz, think that Bill Jack overdid it. Certainly it wouldn't work as well under peacetime conditions.

But the public address system can be used as a modern substitute for the boss' daily informal walk through the plant. And, except for the

defect that questions can't be asked for and answered, the system can take the place of a meeting without calling the workers away from their work benches.

The use of the address system, however, should be closely controlled by the public relations department. For important announcements, it might be preferable for the speaker to work from scripts prepared by public relations. The president of the company or the plant manager may have the best intentions in the world—but an amateur given a microphone may make some awful boners.

8. *Plant-city advertising.* The importance of community relations upon industrial relations is slowly beginning to receive the attention of executives that it deserves. Again the war has had its influence in this. For example, when Budd Mfg. Co. first felt the manpower pinch it found that it had a quite undeserved reputation in Philadelphia as an unsafe plant. The C.I.O. in organizing the plant months before had used as a propaganda device a smear campaign on the company's safety record. This reputation, though it was based on false statements, stuck; no one wanted to go to work for Budd. The company was forced to use an intensive newspaper, radio and billboard campaign to sell the truth—"Budd is a safe place to work."

The same or similar stories can be told of plants all over the country.

"Did you hear about the guy who fell into the sausage machine and was ground up?"

"Three men were burned to death in the blast furnace at the mill yesterday. It was never reported to the police."

"The Jones company won't hire Jews."

"Smith's plant is a sweatshop."

The plant's reputation in the community, however, has a bearing on far more than just its ability to find workers during a manpower crisis. It is an important factor in affecting the employee's attitude towards the company. His attitude is influenced by that of his neighbors and his family.

The Studebaker Corporation has created a good reputation. High wages, participation of officials in city life, and national advertising on the theme that its workers are skilled craftsmen with a father-and-son tradition of employment with the company have created a good community reputation—and good industrial relations.

#### Outstanding Examples

A number of companies are now using community newspapers to tell the story of their plant and the story of all industry. The plant-

community campaigns of American Viscose and of Republic Steel Co. are outstanding.

So-Lo Works, Cincinnati, Ohio, has licked several problems with local advertising. So-Lo buys, at display advertising rates, an entire page of the local weekly newspaper, fills it with news of So-Lo employees, dealers, plans, policies. The ad functions as an institutional advertisement to tell the community what So-Lo is doing; it serves as an employee publication for the plant's 121 workers; and reprints are sent to the company's dealers and distributors as a promotional effort.

There's also a wholesome trend towards the use of the community newspaper for actual news. There was a time when plant doors were firmly closed to the reporters of local newspapers. "Keep our name out of it" was the slogan of plant officials. The writer, for example, covered a fire in the "Big mill" of the U. S. Steel Co. at Gary, Ind., by hiding under a tarpaulin of a city fire-department truck.

But things are changing now. The press is not only welcome under most circumstances but is sought. Plant news is released by alert public relations departments while it's still in the making, and community relations are improving.

9. *Radio.* Scores of plants are using local radio stations in much the same manner that the local newspaper is used to promote community and employee good will. The radio, during the daytime hours, is a particularly effective means of getting to the wives of workers. The Bridgeport Chamber of Commerce, for example, developed a program of interviews with groups of women, who visit representative plants in the community, meet plant officials, and then report their observations in an informal session before the microphone. The program competes successfully with the standard morning soap operas and is selling not only the companies participating but the free enterprise system as well.

10. *Employee handbook.* As vital as an employee publication in any successful program of plant public relations is the employee handbook. It is a guide to life in a plant or office, it tells the rules and regulations to employee and supervisor alike. It is a part of the induction procedure. It is as essential in the small plant or office as it is in the large and impersonal establishment.

From a study of hundreds of these manuals (which are discussed in greater detail in Chapter XXIX), it appears essential that these elements be contained in every employee handbook:

Welcome to company by responsible official; history of company; listing of its products; working rules (time clocks, lockers, safety, etc.);

employee benefits (pensions, hospitalization, first aid, recreation, credit union); organization chart; names of top officials; map of plant (if the establishment is large); and information as to company's future prospects. In some companies, to this is added a copy of the union contract, with or without a labor-management agreed-upon interpretation of significant clauses.

11. *Annual statement.* "Let's look at the books" isn't a slogan that the president of the United Automobile Workers woke up with one bright morning. It's been on the mind of American workers for generations. Workers feel that they are entitled to know how the affairs of the company are progressing. Their security is tied up with its success or failure.

More and more companies are realizing this and giving special attention to the preparation of annual statements to employees. It is more than a statement though, for the report to employees gives management once a year an opportunity to tell its problems and aspirations, to give its employees a down-to-earth lesson in business economics and the theory of the free-enterprise system.

The responsibility of management to tell this story and tell it forcefully and clearly is doubled when the company maintains some type of profit-sharing system. And when and if the time comes for wage cuts and lay-offs, a complete knowledge of the company's profits and losses and of business economics generally won't make the wage cut or the lay-off more pleasant—but it will be understandable.

12. *Labor-management activities.* As discussed in some detail earlier in this chapter as a method of obtaining information from employees, labor-management committees are of equal value in handing down management policies from top to bottom.

13. *Visuals.* For training and indoctrination, for telling the story of company growth, activities and plans, visuals have long been used. Their use was greatly expanded during the war.

The induction films of Champion Paper and Fibre Co., Springfield, Ohio, and of National Cash Register Co., Dayton, Ohio, are splendid examples of movies that tell the story of a company, its future and, particularly, its industrial relations program. Even a disinterested person after seeing such films as these wishes that he might work for either of these companies.

A more difficult type of film is now being studied by the National Association of Manufacturers, Standard Oil of N. J. and a few other institutions. That is a type of film to counteract the anti-management propaganda films so effectively prepared and used by the labor unions.

## CONCLUSIONS

In considering the use of any of these media for channeling information from management to workers or from employees to employers, four principles must be observed if public relations in the plant is to be effective:

1. *Be honest.* The American worker isn't stupid. He won't be convinced that the Blank Co. is a safe place to work if he's seen three fellow workers lose fingers in an unprotected stamp mill in one week. He won't consider his economic future secure, if he has watched old Bill fired with nothing but his own savings six months before he was due to be retired on pension. He won't believe that the company is open-minded on unions while his foreman talks loudly with another supervisor about "them lousy reds and foreigners in the union."

If management has a story to tell, it can use facts. If the facts aren't pleasant and can't be told, then it's up to top management, guided by intelligent public relations men, to change conditions.

At a recent panel meeting of the Silver Bay Industrial Conference, one of the speakers said that in his company every management policy was reduced to writing. He urged that other companies do likewise. One of his listeners demurred: "Why, we couldn't do that. We have a lot of unwritten policies. For instance we don't hire Negroes. We couldn't write that down because it's illegal."

The speaker's retort was sound:

"Then that is a bad policy. If you have a policy that you can't write down then you shouldn't have it. Change your policy so that you can write it down, so that you can be proud of it."

2. *Use trained public relations personnel.* The best policy for management to use in setting up a public relations department for industrial relations work is to get the best men possible. Personnel administrators for the most part don't know much about public relations. In many cases it is easier to train a good public relations man in personnel practices than it is to convert a personnel administrator into a public relations expert with a knowledge of the techniques of publicity, newspaper editing, photography, radio-script writing, posters—and all the other media that can be used.

The employee publication for a plant having 15,000 employees is the equivalent of a newspaper in a community of about 100,000 persons. Readership is easily twice as large as circulation. The message that the publisher—the management of the company—wants to convey to its readers is vital to the success or failure of an enterprise.

Would a publisher hire a \$45-a-week reporter out of college? Would he entrust such a job to a personnel clerk? The plant newspaper—as well as the other media used by management—must be in the hands of trained, competent, well-paid, technically qualified specialists in public relations.

3. *Give public relations men access to the plant.* In too many plants, the public relations man is tied to a desk, his duties confined to issuing statements from the top. He is told that such and such is going to happen, or that top management wants to create such-and-such an effect and—"Get out an annual statement," "draw up a poster," "prepare a release," "put it in the paper," "get up a radio program."

To be effective in his job, the trained public relations man must be given complete freedom to roam the plant, to talk with workers, with supervisors. He must have a finger on the pulse of the plant. He must know intimately the audience to which he is directing his flow of public relations material, regardless of the media used.

4. *Give public relations a voice in policy-making.* But none of these principles mean anything unless the public relations man is a part of the policy-making group in industrial relations, unless every decision is considered in the light of its public relations effect.

Probably in no area of management activity is the need for sound public relations counsel greater.

Too frequently, top management calls in sales, design, research, production, personnel, engineering, finance people; talks a problem over, comes to a decision, and then calls in public relations and says:

"Here's what we've decided. You tell 'em and make 'em like it."

Successive decisions of this sort from this type of management breed tough, militant unions; precipitate strikes. Enough such management errors over the years may conceivably upset our economic applecart entirely.

But if the day-to-day decisions of management are considered public-relationswise and the public relations men given their proper voice in the policy-making groups of management, industry and the nation can look forward to many years of better industrial relations, of increased worker loyalty, of cooperation and understanding, of sustained production and profits.

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### Editors' Note

Employee relations is the most important area in the whole field of public relations. The attitude of most customers, and of practically all

citizens of the community, reflects what the employee says and what is his general attitude towards the company. Employees naturally are and always should be the most important corps of good-will ambassadors for the company. If they are not, find out why and correct basic errors of policy and practice. If they are, use every available method to keep them so.

Remember the employee is on the ground and is a first-hand witness. Customers and members of the community are more likely to believe what he says about the company than they are to accept the reaction of anyone else. Good public relations techniques are practically worthless unless company policy is accepted and generally approved by the employee.

### Information Must Serve Three Basic Desires

In determining what kind of messages may best be given to employees, always ask yourself whether they tend to serve the three basic desires which employees reveal in every scientific study of their attitudes. These are security, opportunity, and recognition.

Perhaps the importance of implanting a feeling of security in the minds of workers is best dramatized by such incidents as this: employees of Delson Candy Company, New York, took paid advertising to tell the community that "Management has been significantly conscious of our right to earn a decent living and to a larger measure of security."

Opportunity for advancement and higher pay should be spelled out in detail in employees' manuals and in statements of industrial relations policy. Every time an employee is advanced in the ranks, it should be reported in company publications and dramatized as far as possible within the organization and the community.

Recognition is perhaps more important than would be suggested by the statistics of employee-attitude surveys. Workers are seldom fluent in expressing such desires, but the importance of belonging and having even the smallest voice in management decisions is the most potent factor in building employee morale.

### Some Essential Categories of Employee Indoctrination

It's difficult, if not impossible, to catalog accurately the items of information employees want in the order of their preference. Conditions and reactions vary in different companies and industries, but some of the subjects on which management should give complete and frank information to employees are:

1. *Industrial Relations Policies and Employee Benefits.* Standard Oil

(New Jersey) with no general strike and but few local work-stoppages in thirty years, gives credit for this record to an industrial relations policy which it abbreviates as follows:

- a. Treating workers as human beings, not commodities
  - b. Providing security for workers—benefit plans, thrift plans, etc.
  - c. Paying prevailing wages or better
  - d. Offering fair opportunities for advancement
  - e. Operating the company to serve workers, consumers, stock-holders and the public.
2. *Company Earnings and Profits.* The trend of industrial relations in the next five years and perhaps for all time may be determined by the extent to which employers explain their profits to the worker and the wisdom and effectiveness of their programs for teaching the economics of business to employees. The outstanding fallacy in this field of indoctrination is the assumption that the profit story need be told to workers but once. It's a story that must be repeated over and over again and brought into company communications on every justifiable occasion.

3. *Company History.* It's not an accident that the soundest employee relations have been developed by those companies enjoying a proud corporate history and traditions which imbue confidence and respect. Making an employee feel himself a part of such a company and proud of its traditions is one of the most enduring and effective of morale-building techniques. A sound goal would be to build the kind of industrial relations which impelled the American Watch Workers' Union to buy full pages in the Waltham, Mass., newspaper to tell why "We Are Proud To Work at Waltham." Just hope that you'll be surprised, as Waltham executives were when they read those ads in the home-town papers.

4. *Management and Supervisory Personnel.* Find every possible excuse for humanizing management. The more remote management is from the workbench, the more important it is that company communications present it as a group of ordinary and understanding human beings. Every opportunity should be taken to point out the advancement of management from the ranks of the workers and to record steps taken by the rank and file towards top management.

5. *Company Products and Their Uses.* Nothing does more to dispel the boredom of repetitive operations on an assembly line than for a worker to understand the end use of his product, and the reason why precision and quality output are essential to its continued sale and to his continued prosperity.

6. *Research and Development.* This news is usually announced and discussed in terms of what it means to the growth and prosperity of the company. Usually it can be interpreted in terms of what it means in the way of new jobs and better jobs for those on the payroll.

7. *Company Plans for Development and Expansion.*

8. *Business Outlook for the Company and the Industry.*

9. *Public Relations Policies.* Every company should explain its public relations plans and policies in detail to its employees. But the important thing is to make the employee feel that he is on the public relations team and that his contact with other people contributes not only to the prosperity of the company but also to the permanence and payroll value of his own job.

10. *Company's Part in Community Life.* This would include not only the direct contributions of the corporation to community projects but more importantly the part employees as individuals and as a group play in such programs.

11. *Advertising.* The story of the company's advertising should be told to employees in some detail. This includes the product as well as the public relations advertising. There are two reasons for this. One is that the 60,000,000 workers in this country should be made to understand how advertising stimulates business, increases payrolls and raises wages. Another motive would be to counteract the organized efforts of that school of thought which is constantly trying to prove that advertising is a wasteful process which penalizes the consumer.

12. *Recognition.* There are many definitions of the kind of recognition employees want. In any event they want tangible evidence that their loyalty, ingenuity and craftsmanship are recognized and will be rewarded.

The final conclusion from this appraisal might be that every available channel of communication between management and employees should be used to assure the worker that in his job he faces a fair prospect of security, opportunity and recognition. Tell that story in frank and simple terms, in terms of the self-interest of the employee, and tell it on every possible occasion.

#### Other Effective Employee-Relations Techniques

One of the most effective techniques for developing job interest on the part of rank-and-file employees is to dramatize and hold before them the experience of oldtimers on the payroll and those who have retired. Most large employers make a special occasion of celebrating the twenty-fifth to the fortieth anniversaries of employees on the payroll.

Usually a dinner is given, a citation or award presented and the work story of the oldtimer recounted in company publications and other media.

There is a growing tendency to mark the service of all employees. Some companies begin as early as the end of five years and award buttons or other insignia marking the term of service in five-year or ten-year periods. Many companies have special social clubs among the oldtimers. Frequently there are annual gatherings of those pensioned or retired.

There's an unmined potential in former employees. R. E. Woodruff, president of the Erie Railroad, struck gold when he organized the "I Worked on the Erie" Club. He discovered as he travelled around the country, that many prominent men were "graduates" of Erie. That mutuality provoked the formation of the club, no dues, no meetings. An engraved membership card indicates an Erie alumnus, an Erie friend. Now members exchange this identification like wartime pilots with their short snorter bills. Among the more than 1,000 members are



FIGURE 7.—THE 43 INDUCTEES OF MACY'S TWENTY-FIVE-YEAR CLUB, BEING THE CLASS OF 1947. SEATED IN THE FRONT ROW AT THE FAR LEFT IS JACK I. STRAUS, PRESIDENT OF R. H. MACY & CO., INC., A 1947 INDUCTEE.

retired railroad presidents, judges, senators, mayors and famous industrialists.

### The Open House

The open house has traditionally been intended to give the community and the public as a whole a first-hand acquaintance with the operations of a corporation. Recently it is being redesigned to serve primarily as a medium of communication in employee relations. The larger companies which continue the open house for the community usually set aside a separate day for employees and their families. American Rolling Mill Company, Middleton, Ohio, has further refined this process. Each department now has its own day when the employees of that department act as hosts and invite their relatives and friends to visit them on the job. In every case supervisors and frequently top executives join in the festivities and meet the guests.

### The Public Relations Guidebook

The public relations guidebook for employees is coming to be an important tool of industrial relations. It not only trains employees to meet and handle people to build good will for the company but it creates morale by teaching them how to live and deal with each other.

### Music in Industry

Music in industry was highly developed in wartime to dispel the monotony of repetitive jobs. The object then was almost entirely to increase and improve production. But the experience taught management that the right choice of music scientifically broadcast at an appropriate time and place contributed immeasurably to employee morale and reduced absenteeism and turnover. Today more than 3,000 plants are equipped to broadcast music to workers on the job.

### Indoctrination Meetings for New Employees

The indoctrination of new employees has recently been undertaken intensively and scientifically. Many companies today keep new workers on the payroll for a week or more doing nothing but learning about the history, policy and philosophy of the company and how to live harmoniously with their associates. In practically every case these indoctrination courses are given in conference meetings, with plant managers and sometimes top executives participating. The usual indoctrination booklets are distributed during and after those meetings. Some out-

standing programs of this sort are conducted by Aldens, Bell telephone companies, Monsanto Chemical Company and Johnson & Johnson.

### Annual Jobholders' Meetings

There are two schools of thought about the use of the annual report for communicating with employees. One tends to prepare a special report for the employees and the other to prepare a single report so simply and clearly written and so well illustrated that it is interesting and understandable to employees as well as to bankers.

The one danger in the former device is that in trying to simplify the report, we may underestimate the intelligence of the worker and write in a condescending or patronizing fashion. But a special report can make a valuable contribution to industrial relations if it is written in terms of the employee's interests and treats him as an adult.

An outstanding example of this kind of special report is issued by R. Douglas Stuart, chairman of the board of Quaker Oats Company in Chicago. The report, published as an insert in the company publication, includes the president's message and an illustrated story of where the money came from and where it went, together with a warm and convincing exposition of all the factors that make the company and its employees partners.

Regardless of the language and format of the annual report, it is well to see that all employees get the report at the time it is released to the newspapers, and that it is explained in detail to foremen and supervisors by responsible executives before it is given any distribution.

McKesson & Robbins not only arranges meetings at which the annual report is explained to department heads and supervisors before it is distributed, but holds a similar meeting for the officers and stewards of local unions.

The president and the chairman of the board of Studebaker give a dinner to 750 office and factory management representatives, to explain the report in detail before it is issued and answer all questions.

At Pitney-Bowes, Inc., President Walter H. Wheeler, Jr., calls his 1,400 employees together on company time in groups of 250 each and spends an hour and a half with each group presenting charts, explaining the report and answering questions. These are called "annual jobholders' meetings."

—G. G. and D. G.

## WINNING BETTER RELATIONS WITH THE COMMUNITY

BY JAMES W. IRWIN  
Public and Employee  
Relations Counselor



**T**

HE BIBLICAL PREMISE THAT

"A prophet is not without honour, but in his own country" has been applied in paraphrase to individual effort in many fields other than religion. It has been true in politics, invention, education, and the arts. Its parallel often can be found in the sad plight of a manufacturer or businessman who finds public opinion arrayed against him in his home community or plant town. Such a manufacturer finds himself face to face with one of the most important and powerful factors in our society. Public opinion can be a solid foundation upon which to build, or it can be a malignant cancer, eating away company prestige and product-acceptance at the consumer level. In the final analysis, what neighbors say about a company is the most valuable endorsement, or the most damaging indictment a company may have.

The "prophet" of Biblical reference suffered unpopularity because he failed, or for some reason found it impossible, to identify himself in

his neighbors' minds with the community interest. We cannot carry the parallel much further, but it certainly is good to this point. It is traditional that the word "impossible" is not part of the vocabulary of the typical American businessman and industrialist, but in far too many instances he has failed to recognize the importance of public opinion, or to make the right moves in his attempt to change it from unfavorable to favorable.

It is encouraging that many companies and many trade associations have launched or are considering activities to increase public approval of their services, products and philosophies. This intense interest in public relations brings up the question: how many companies, how many associations will include community relations activities in their development of an over-all program? More attention must be paid to relationships within operating cities or a whole public relations activity may be impeded and the dividends that might accrue cannot be collected.

#### Paternalism—The Curse of Community Relations

Business and industry have not always had such community relations problems because they have not always been as complex as they are today. There was a period in the world's social and economic development when factories did not exist, when craftsmen and artisans worked individually and in their homes. Products were simple; did not require the combined efforts and arts of the many individuals that are needed, for example, to manufacture and assemble a modern locomotive.

Not until after the industrial revolution was manufacturing transferred from the home to factories where newly developed steam power could be applied more readily. The first factories were small, but as the beginnings of mass production technique became known these small factories were combined into larger ones. As operations grew in size, the organization of capital to support them became necessary and the stockholder and absentee owner came into the picture. Now we come to what constituted the first experiment in community relations which was doomed to be a dismal failure. It has been called "paternalism."

Often, one of these larger factories would dominate a community, and the owners, feeling a certain responsibility for the workers, gradually would extend their influence over every phase of community life. The company would build homes and rent them to the workers. It would build and staff the schools, hospitals, churches and other public institutions. In some instances, it would operate company stores, doling out the necessities of life in exchange for company "scrip" with which

the workers had been paid. Surrounded—almost stifled—by this paternalism, the workers would become bitter.

The owners of the company, feeling that the workers were ungrateful and therefore unworthy of the company's beneficence, often *would* become oppressive and demanding beyond all rights. Some of the unsolved problems which form the basis of controversies today between mine-workers and mine-operators are largely the result of this unfortunate, paternalistic experiment in community relations.

We can be thankful that paternalism generally is a matter of historical reference only; but, as too often happens, the compensating pendulum has swung too far in the opposite direction. Discouraged by the rapid growth of unions, the great power exercised by union leaders, and the widespread attacks on industry, too many leaders of business have retired behind their plant walls and are ignoring their communities. Public relations thinking, if any, too often is on a national scale and, like an arch without a keystone, is doomed to collapse. Absentee owners are charged with lack of interest in employee and in community welfare. They are accused of taking money out of communities. Instead of countering with facts, they too often ignore these attacks.

#### Development of the Modern Concept

Fortunately for American industry as a whole, a few pioneering companies penetrated the field of good community relations. Through trial and error and careful study, they have established a pattern and experienced the benefits which await each manufacturer who is sincerely concerned about industry's future, whether he is a large or small operator, with a single plant in one town or a multiple-unit company functioning in many communities.

These pioneering companies have established two salient principles which must guide any good community relations program. First, that the company's actions *must be in the community interest*, must show a deep and sincere recognition of the responsibility of business and industry to society. Secondly, to reap full advantages of responsible action, the community and the public must be made aware of it, not boastfully and blatantly, but through the normal channels of information, quietly, even subtly.

This is not easy because in every case, with the possible exception of a new company, a public opinion already exists. Often it is unfavorable. Usually it is the result of much wrong information, misstatements, misinterpretations, inaccuracies, ulterior motives, or just plain gossip. Some investigators, however, have found the public in possession of a sur-

prising amount of accurate information regarding certain company actions which were *not* above reproach.

After the company's actions have been brought into line with the public and community interest, the unfavorable public opinion must be broken down and replaced. This must be done carefully and constructively because the human animal clings stubbornly to his preconceptions in the face of public challenge.

### Origin of the Dayton Plan

A beginning in organized community relations was made early in the 1930's with the conception of the outline which has since become known as the Dayton Plan. It was first adopted by a number of Dayton, Ohio, industrial institutions and has since been used by many socially conscious companies throughout industry.

The objectives of the plan, reduced to the simplest terms, were: (1) to find out what the public was thinking and saying about industry; (2) to separate the true from the false in uncomplimentary statements; (3) when statements concerned truth about conditions that should be changed, to establish different company policies or modify existing policies to eliminate the objections; and, (4) to convey to the public, in every possible way, factual and complete information to replace the wrong and incomplete information that was unfavorably influencing public opinion.

Plans similar to the Dayton Plan have improved community relationships for such companies as General Electric Company in almost 100 plant cities; American Rolling Mill Company; Ethyl Corporation at Baton Rouge; Swank, Inc., at Attleboro and Taunton, Mass.; Victor Chemical Works in Chicago Heights, Ill., Nashville and Mt. Pleasant, Tenn.; Bigelow-Sanford Carpet Company in Thompsonville, Conn., and Amsterdam, N. Y.; West Virginia Pulp and Paper in six communities; Rockbestos Products Corporation in New Haven, Conn.; Johns-Manville Corporation in several communities; E. I. duPont de Nemours and Company in dozens of communities; Shell Oil Company, Standard Oil of Indiana, Standard Oil of New Jersey, Sun Oil, Monsanto Chemical, and many others.

August Kochs, of Chicago, pioneer in and a builder of the great phosphorus branch of the chemical industry, has told the key men of Victor Chemical Works, of which he is chairman:

"Let us act as good neighbors to the people who live in the localities in which we operate. Our employees naturally will take an interest in civic affairs and cooperate as citizens in anything which makes for the

well-being of their communities. The company will do its part to earn good-will and our efforts will soon be appreciated. We will be welcomed as a valuable addition to community life, not only because of the increased income to the local economy, but, what is even more important, because our company has brought men who are valuable citizens. A friendly spirit will thus be created and residents will refer to Victor as one of their fine local plants."

At the time the Dayton Plan was originated, certain political and labor leaders were engaged in an all-out campaign to discredit business in the eyes of the public. In its application at Dayton, directors of the plan ran squarely into the problems that are a direct result of the extensive development of press and radio communications in our modern society. Not only was it necessary to combat misinformation of local origin in Dayton, but it also was necessary to combat imported rumors and false statements arising from the ulterior motives of the declared enemies of big business.

#### How It Works

In general, the Dayton Plan followed this outline:

1. *A Poll Was Conducted To Determine Exactly What the Employees and the Local Community Thought and Felt about the Company.* In the early 1930's, the science of public opinion research was still in its infancy, and this poll was conducted in a comparatively unscientific manner. Company executives themselves went into the community, even into the back rooms of pool halls, to find out what the public was saying about the company. The results were enlightening, but much more can be learned in present day application by utilizing one of the well-known and more dependable public-opinion polling organizations.
2. *With Results of the Survey as a Guide, a Concentrated Effort Was Made To Remove the Causes of Dissension.* People in the community wanted to know what was going on in the plants, but had been forced to depend on unofficial information—often misinformation—received through round-about means. Plant employees themselves were without adequate information.
  - a. *Official Release of Company News to Local Papers.* To combat the spread of misinformation, company news-releases covering all company activities affecting employees were promptly sent to local newspapers and radio stations. Feature stories also were utilized, as well as advertising in local papers and from local radio stations.

- b. *Company Booklets and Employee Newspapers.* These were used to keep employees informed, and partial public distribution also helped in dissemination of accurate information.
  - c. *Special Letters.* In connection with current matters of general public concern, special letters were sent to community leaders to keep them advised with regard to company activities and policies.
  - d. *Open House—General.* So the community could see the conditions under which company employees worked, a series of open houses were planned to which employees were encouraged to invite their families and friends.
  - e. *Open House—Selected Groups.* Groups of businessmen, professional men, and clergymen were invited to make special tours of the plant, and were encouraged to ask managers or employees any questions they wished. Also, newspaper and radio men toured the plant in order to become more familiar with its operations.
  - f. *Talks by Company Executives.* To reach still other groups in the community for whom it was thought desirable to provide specific information, company executives made talks before luncheon clubs and other local groups. They provided factual data on payrolls, production costs, employee benefits, employment, demand for products, and other subjects, using charts for illustration.
3. *Wartime Projects.* With conversion to war production, new problems of public misinformation arose. Plant tours were discontinued under the requirements of national security, and regular dissemination of company news through press and radio alone was insufficient to combat the new criticisms. Company executives decided upon public theatrical productions to tell their story.
- a. "*Plowshares*". This theatrical production was staged in the Dayton fairgrounds coliseum with a cast of 125 persons. Admission, although by ticket, was free, and it played to a total of 232,000 persons over a period of 15 weeks. It helped combat rumors that industry was unpatriotic, stalling, profiteering, etc.
  - b. *Dayton's Part in the War.* This production, brainchild of Frank C. Lyons, director of the Dayton Plan, and small enough to be taken from group to group, club to club, and school to school, was designed to combat a growing lack of appreciation for Dayton's war effort. Although Dayton did not produce great ships, airplanes, guns, tanks or bombs, all of which had become synonymous with the prosecution of the war, this play dramatically

pointed out that without the parts or sub-assemblies turned out in Dayton plants many of the giant instruments of war would be powerless and just so much junk.

The value of the Dayton Plan had not been fully and completely recognized by the executives of the participating companies until 1936 and 1937 when the nation's industry was badly crippled by the sit-down strikes. No plant operating under the Dayton Plan went down.

#### Wins Community Support During Labor Troubles

Good community relations are of supreme importance during strike periods. Years of attention to the company's general standing in the plant city will pay off at the time of a strike in public receptiveness to what management has to say about the controversy. Strikes, therefore, in addition to being a matter of industrial relations, are also a part of public relations and particularly of community relations.

A good community relations plan must be built on sound premises. One of the major premises of such a program is that the company and any of its publics within the community—including one of its most valuable publics, its employees—are not at war. The community relations program aims, rather, at bringing these groups of people together. When elements of strife seem to appear in the company's relationships—as, for example, in a strike—the company's policy should be one of attempting to get together, rather than to fight with its employees.

Dr. Claude Robinson, president of Opinion Research Corporation and an eminent student of the thinking and attitudes of all segments of our population, says:

“A strike is not only a test of economic strength. It is a public relations problem of primary importance. People don't like strikes. Strikes stir up public emotions—leave lasting impressions. Smart managements give as much attention to public relations aspects of strikes as to economic and legal aspects.”

#### STEPS IN ESTABLISHING A COMMUNITY RELATIONS PROGRAM

We have examined the necessity for good community relations by way of the historical development of plant-city problems. We have discussed the Dayton Plan and its application, and have touched briefly on the community-relations aspects of industrial relations. Now let us start at the beginning and check off, step by step, what may be done in developing a good and successful community-relations program,

examining the while what has been done in this direction by other companies which have used the scientific approach to their problem.

#### Base Company Policy on Community Interest

Glowing accounts of company accomplishments in paid advertisements cannot offset the negative effects created by disgruntled employees, angry dealers and resentful community groups. The company policy must first be examined and corrected wherever necessary to avoid conflict with public interest. All factors causing antagonism must be removed, and the company management must be committed sincerely to a program of responsible action and interest in community welfare. The personal behavior of company officials and the physical appearance of the buildings are important.

The technician—be he a public and employee relations consultant or an internal director of public and employee relations—wisely maintains anonymity at all times in a community program. He may provide detailed guidance, but execution of the program must stem from the management group, else the community may resent outside guidance as an indication of inability or insincerity of intention. The community must not be propagandized or soft-soaped.

Any appearance of paternalism, patronage or high-pressure techniques must be avoided. Efforts should be proportioned to possible accomplishments, and results should be checked. Don't expect too much too soon. Start with only a few relatively inexpensive projects and expand slowly. Careful and tactful preparation and execution will be necessary.

#### Measure Employee and Community Attitudes

Until we know what misinformation is in the public's mind, what antagonistic attitudes exist and why, what the employees' real or imaginary grievances are, we cannot know how to plan our program to correct the situation.

Every employee is a community relations worker capable of creating good will or ill will for his company. All of his impressions, attitudes, petty grievances or manifestations of loyalty are taken home and reflected to the general public through his family and friends. Satisfied and happy employees are boosters, offering a forceful and continuing argument in the company's favor. It does not follow, unfortunately, that a good industrial relations program must produce good employee relations. Loss of company prestige in the community can often be traced to minor grievances or misunderstandings, not corrected simply because management was not aware of them.

For many years, management has been satisfied to cope with employee dissatisfactions only when they have progressed through company-union grievance procedure channels and have been brought to management's attention by formal action of employee representatives. Becoming more skilled, however, in industrial and public relations, management now is beginning to realize the value, both in public opinion and in dollars and cents, of discovering these dissatisfactions while they are still thoughts formulating in the minds of employees. To do this, they have utilized employee opinion polls, sometimes broadened to include key citizens in the community. The results in many cases have been very startling, and quite different from management's pre-evaluation of the workers' opinions. When they included the community views, such surveys have proved useful in gaging the effectiveness of the community relations program. They should be conducted periodically, as a check both for industrial and community relations progress.

An appraisal of the community's general attitude toward the company can be made through the medium of an opinion survey by an outside organization, informal interviews by company officials, consultation with advisory bodies, and a careful survey of past relationships. Any unfortunate occurrence of the past, in which the company and community found themselves at odds, will be sure to have left its imprint on the public's attitude.

Public opinion surveys are not an exact science at best. They can be very misleading if not properly conducted. For this reason it is wise to use a recognized public opinion research organization, one which can lend an appreciable weight of experience and knowledge to your particular problem in community relations.

#### Analyze All Community Factors

Every city or urban area is composed of various publics—employers, employees, housewives, officials, school children, labor groups, racial groups, etc. Most individuals belong to several groups and their interests will vary. Programs can be devised to reach particular groups rather than the entire community in general and no one in particular. A good community relations program need not, actually *does not* start with the general public. The Dayton Plan began to operate by bringing molders of public opinion in small groups together with management.

Cities are very different in their composition and collective interests. They can be classified in several ways, on the basis of size with relation to other communities, type of location (mouth of river, bay, center of plain, etc.), age or stage of development, or—one of the most valuable

systems of classification—by the dominant activity or function of the city.

Agricultural or trade communities can be expected to have an entirely different attitude toward an industrial plant than would a community that is predominantly industrial. Any community relations program based on a sincere interest in community welfare must be guided and governed by the type of community involved, its publics or groups, its rate of growth, its climate, its predominant activities, its current needs, and its outstanding community interests as demonstrated in civic projects.

#### Make Every Citizen-Contact Constructive

Many companies plan and execute extensive public and community relations programs without giving any consideration to such a minor—but infinitely important—detail as an inadequate and carelessly operated telephone switchboard. Even a condition of overload, due to shortage of equipment, is no excuse for lack of courtesy on the part of an operator and failure to explain and apologize if excessive waiting is necessary. Operators should be well-trained, efficient, and made to realize that they are the first to greet an incoming call, and can help or hinder the company's community relations program almost as much as can the executive to whom the call is eventually directed.

The telephone switchboard is only one example, chosen to emphasize the importance of often-overlooked fields for effective community relations effort. Members of the community who have direct contact with the company, such as suppliers, should be solicited for suggestions. Methods of handling citizen interviews, complaints, and correspondence should be subjected to careful scrutiny. The purchasing department should be reminded to survey local possibilities very closely before going farther afield to procure plant and office supplies, materials and equipment.

#### Train Every Executive To Participate

They must be brought to realize that, while a community relations program is outlined and instituted under the direction of the company's public relations technician, he alone is powerless to make it succeed. Each plant executive is a community relations representative for his company, and must be ready in every way to play the role with sincerity in carrying out the over-all activities.

Each executive must be ready and willing to interpret his particular phase of the company's operation to the public on demand, in talks

before community service clubs and other groups. He should, of course, be provided with all technical assistance possible in preparation of charts and other presentation aids.

All requests for speakers, of course, should clear through the public relations office, and top management should not be asked to appear unless the importance and scope of the meeting so warrants. Many speaking engagements can be filled by employees in supervisory capacity who have demonstrated their speaking ability. Manuscripts should be cleared with public relations, whether technical or not, in order to protect both the speaker and the company against deviation from policy.

Company executives and employees should take an active part in civic projects. They should belong to service clubs and other community organizations, and should in every way make their individual contributions as good citizens of the community.

In most instances, top executives of a company live where they choose without criticism, but lesser company executives who commute from neighboring towns invite the antagonism of individuals and groups who consider it an indication of a personal dislike for the community or its citizens.

### THE TOOLS OF COMMUNITY RELATIONS

Although good community relations involves the basic operational policy of the company, the collective attitude of its personnel and every contact with the public, there are certain channels through which the company can practice and capitalize on genuine interest in the community's welfare. These have become standard "tools" of community relations. Some of them are the general, basic tools of good public relations with a local application, such as news releases to press and radio, plant-city advertising, etc. Others are more restricted to the community relations aspect, such as the employee house organ, planned open houses, displays, special events and cooperation in civic projects. The careful use and integration of all of these tools in the over-all community relations program is essential.

#### Prompt and Efficient Handling of Press and Radio

We have seen, in the operation of the Dayton Plan, how prompt dissemination of company news to the employees and the public through press and radio was used to combat rumors and misinformation. Newspapers and radio stations, as agents of the public, have a right to

factual information about the company. Too, they have deadlines and press times to meet, and cannot wait for news on major happenings. The company should accept the responsibility of helping them meet those schedules with factual information.

For emergency coverage, a company official should be designated to act as local spokesman, and newspapers and radio stations should be provided with his office and home telephone numbers. Against the possibility that this individual may not be available at a given time, others should be designated, and their names and telephone numbers given to the press and radio in the order in which they are to be called. There should never be any attempt to suppress information of an adverse nature, but rather to make facts available and thus eliminate the necessity for guesswork on the part of the press.

All major company officials—vice presidents, division production managers, plant managers, and others—should make it a point to become personally acquainted with publishers, editors, editorial writers of newspapers and managers and news commentators of radio stations.

Company news releases can create much publicity if they are properly prepared and have community interest. They must be clear, concise and complete, with careful attention to newspaper style, and should not be padded with "free advertising." The excessive use of adjectives is permissible in paid advertising, but can guarantee for a news release a quick trip to the city-room wastebasket.

The prompt and factual reporting of bad news often will gain sympathetic handling by the press and will react to the company's benefit. An impending lay-off, for example, might gain exaggerated proportions in the gossip channels if the company hesitates to announce it officially. This could result in a freezing of credit by local merchants and a general bad reaction toward the company throughout the community. On the other hand, reporting of the complete facts to the press as soon as it becomes known that a lay-off will be necessary may serve to control the story, stop rumors and forestall damaging reaction.

Fair treatment in the local news columns cannot be purchased with advertising or gifts. However, if a company cooperates with local reporters, giving them a cordial welcome when they call at the plant for news and supplying them with the desired facts without too much waiting, the reporters will cooperate in turn by giving the company fair treatment.

#### Plant-City Advertising

Many companies learned the value of institutional advertising in

their home communities during the war. There was much criticism and lack of understanding, in many instances, because of the apparent slowness of conversion. Wartime security restrictions prevented plant visits by outsiders, and they had no other way of knowing what was going on behind the plant walls. The average citizen wanted to be proud of his community's war effort, and he resented not being told just what the extent of that war effort really was.

The individual companies could not brag about their war effort very effectively in their publicity releases, where adjectives are anathema and generalities undesirable. So, they resorted to an almost new kind of institutional advertising which built community spirit and company prestige at the same time.

Many of these same companies, having seen the value of such advertising in wartime, are using it now to tell the story of their contribution to the community. One example is a large Eastern railroad which has been running local advertisements in the towns it serves telling of its service and pointing out just what would happen if the towns did not have its benefits. Some space also has been devoted to the railroad company's policies and business methods.

Other companies are using the advertising columns almost daily to tell the story of the value of their payroll in the economic life of the community, to report on their community welfare programs and on activities of civic interest. A combination of display advertising and space in the classified sections can be used to good advantage in getting a more dependable and productive group of workers, and in keeping a steady flow of desirable employee applicants coming through the employment office.

Proper use of advertising can help to prevent bitterness on the part of employees and the community in time of labor-management controversy or strike. It should not be reserved as an emergency measure only, however. You cannot expect people to believe you when you come to them only when you are in trouble. A good community relations program talks to the public regularly when no emergencies exist, and the best results will be obtained from the use of strike advertising if it has been preceded by advertisements of community interest appearing at regular intervals.

Excellent results were achieved by the General Electric Company with a planned advertising campaign during a strike. The program, under the supervision of Robert S. Peare, vice president, included city-wide advertising, a radio program two times a day, publicity, and the continued publication of the employees' house organ, the *GE Works*.

*News.* One particular set of advertisements was devoted to the hardships caused by the strike on the employees, on the community at large, and on the business of the community. Another series pointed out the relationship between jobs, wages and prices. It was emphasized that the campaign was not intended to break the strike, but was designed to "show the importance of General Electric to the business and economic life of the community." The basic theme of all material presented during the campaign was to show the workers they could not win anything by striking which they could not have gained by staying on the job.

At the termination of the strike, a community opinion survey disclosed that there was a remarkable lack of resentment on the part of the workers and the community toward the company.

#### The Company's Employee Publication

Since its beginning, the company publication has been, on occasion, both a friend and a foe of good public relations. In the pre-Wagner Act era, it was used in some unfortunate instances as an instrument to blast the unions with misleading and non-factual propagandizing material. Since the Wagner Act, it has often, and again unfortunately, become ineffective because management and its legal advisors have been afraid to present, through its columns, facts regarding management-employee relationships. Company publications will be treated in detail in Chapter XXII of Part VII, but some facts must be mentioned here even at the risk of repetition because of their community relations application.

There are few subjects of greater interest to the employee and his family than information on basic subjects connected with his source of income. In most cases of existing employee publications, the company would benefit greatly from increased space devoted to company plans and policies. Generalities are not enough. The employee is not particularly interested in what the company is thinking, but *is* interested in what it is doing and planning to do.

Henry Ford II, president of the Ford Motor Company, emphasized the importance of internal communications in an address on "The Challenge of Human Engineering," before a meeting of the Society of Automotive Engineers. Mr. Ford said:

"In any large group of people working together it is a basic requirement that good lines of communication exist. There will always be plans and estimates, information about new styles and new engineering, and other data, which management must guard closely because they are the

very elements on which tough competition is based. But information about company objectives and accomplishments should be made available to all. People want to know what the other people they work with are doing and thinking. They want to know what the score is.

"It is fairly easy for everybody to know the score when there are only fifty employees in a plant. But when thousands of employees work at assembly lines in a single plant they create a problem of communication which has not yet been effectively solved.

"In an age in which the world prides itself on speed and efficiency in human communication it is absurd that we should not have been more successful in this field. We have the tools at our disposal—company publications, movies, radio, coordination conferences, newspapers, the graphic arts, posters and all the rest. It is good business to see to it that the members of our industrial teams get information to make them conscious of the fact that they are on the team. This applies all along the line—shop employees, office workers, supervisory and executive personnel. . . . Informed employees are more productive, certainly, than uninformed employees."

Company publications fall roughly into three categories: those directed to employees only (internals), those directed to customers and the general public (externals), and a combination of the two (combinations). Employee publications are by far in the majority, and probably are the most effective in aiding a community relations program. The employee publication should be mailed to the employee's home, in order to insure to his family the opportunity of reading it.

The editor should be a capable individual with plenty of actual newspaper or magazine experience. Such talent cannot be had for the salaries commonly paid, but a few extra dollars a year will reap immeasurable benefits in the increased effectiveness of the publication. The editor should be close to both management and employees. He should have the advantages of management's confidence and close cooperation, and should also spend much time in the plant itself, learning the worker's thoughts and problems on the job.

### The Open House

Seeing is believing, and the family and friends of employees are always interested in seeing the inside of the plant, how it operates, what is necessary to produce the finished commodity, and—most important of all—the conditions under which employees work. No matter how well other phases of the community relations program are planned and executed, regular family days or open house days will prove a beneficial supplement.

Naturally, some standing arrangement should be in force for the handling of unexpected visitors and sightseers who come unannounced. They should be greeted with all courtesy, conducted through the plant by a well-informed guide, and presented with a souvenir booklet, or some other memento of their visit.

An open house, of course, requires more elaborate preparation and planning. Committees must be appointed to handle all details, signs must be made to clearly indicate the route, special safety precautions taken, first-aid facilities provided, and a special section set aside where visitors can rest, smoke, and relax. If possible, light refreshments should be provided at the end of the tour.

It is most effective to arrange the open house so that an employee can invite his family and friends to time their visit while he is at work. In this way, they can see exactly what he does and how his particular job fits into the entire plant scheme.

The community relations program may well include the year-round activity of inviting special community groups to visit and tour the plant. Local schools, service clubs, church groups and industrial organizations will welcome the opportunity to examine your plant and operation first-hand. Occasionally such a visit can be combined with a luncheon or dinner, at which company officials might give short talks describing the work and activities of the company.

### Displays and Special Events

Local trade and manufacturing exhibits and fairs provide an opportunity for the company to display its products and exhibit a sincere interest in community affairs. Factory employee activities such as hobby shows, the encouragement of camera clubs and public photographic exhibits, the support of employee athletic teams competing in amateur industrial and community leagues, all these and many other activities can help win the community's acceptance of the company as an important and welcome factor in the community life.

### Participation in Local Welfare Activities

As long ago as 1930, the chain stores, then fighting the organized resistance of local, independently owned retail establishments, instituted a plan for community relations which included budget extensions for local civic and charitable work.

There are three ways in which a company can help in local charity drives and activities: through direct monetary contributions, by help-

ing obtain contributions from employees, and by personal assistance of company officials and employees in organizing and conducting the drives.

There should never be the slightest hint of coercion on the part of management in obtaining employee contributions to local charities. Employees may be approached and solicited for donations by representatives of management, but it should all be strictly on a salesmanship basis.

Some companies offer to match employee contributions with a company contribution. This is a very popular and well-accepted attitude, if sufficient freedom is allowed for proper solicitation of employees on the job. It does, however, sacrifice the opportunity for spearheading a drive with the initial gift—a very effective way to win community gratitude and respect. The size of the gift is not as important as the way in which the donation is handled. A company might contact the organizers of a local charity drive well in advance of its beginning and ask for the privilege of making the initial contribution. If granted, considerable favorable publicity can be built around the presentation by a company official of the kick-off check to one of the charity campaign leaders.

#### Cooperation with Schools

Fewer community institutions are nearer to the hearts of its citizens than are the schools. Possibilities for company cooperation here range all the way from the loan of equipment and personnel for special projects and events to establishment of scholarships.

The young people of a community are its future citizens, and are the future employees and customers of the company. Some are from the homes of present employees and customers, and the information they can take home regarding company cooperation with the community's educational program can have a definite effect on the attitudes of their parents.

The Caterpillar Tractor Company provides speakers for local schools, and shows films, supplying both film and projection equipment. Plant tours for groups of teachers and students are a definite part of this sort of program. Westinghouse Corporation will, at 50 percent of retail list price, completely equip any school home-economics department kitchen, replacing the equipment each year for five years with the latest model units at no additional cost.

Scholarship programs are not limited to large corporations. A rela-

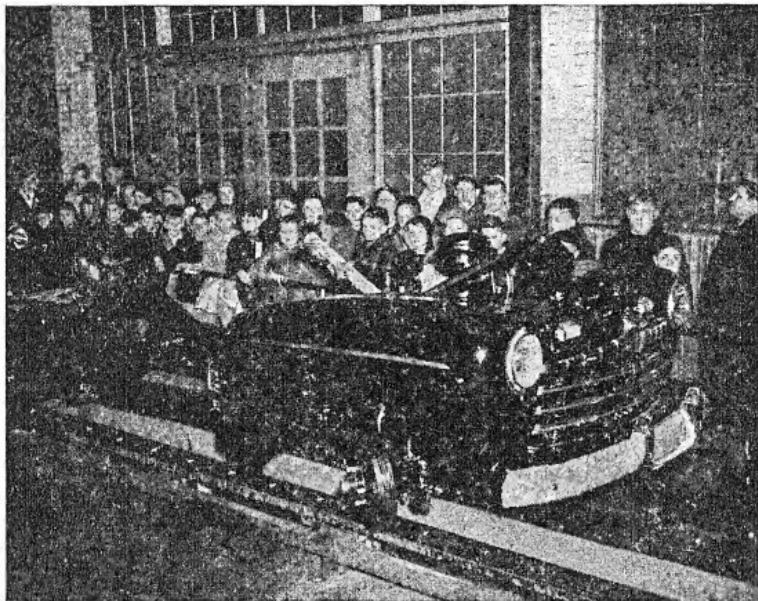


FIGURE 8.—SCHOOL CHILDREN SEE FORD FINAL ASSEMBLY OPERATIONS AT THE ROUGE PLANT IN DEARBORN.

tively small, Midwestern company recently established two four-year scholarships on a year-to-year basis as a tie-in to its employee relations and community relations program.

#### Cooperative Community Relations Programs

In 1937, when the nation was being swept by industrial unrest, labor organizational activities, union propaganda and strikes, the industrialists in one city founded a cooperative league to encourage adoption of sound labor policies in local plants, and to acquaint the community at large with conditions in those plants. Since that time, companies have banded together in many communities to achieve one or more objectives in community betterment. These projects often have a very definite relation to the economics of the community, such as improved transportation facilities, attraction of more and varied industries, bringing from other communities more and a better class of workers, and general city clean-up and plant beautification.

## INTRODUCING A NEW BUSINESS TO THE COMMUNITY

We have covered most phases of community relations except the problems confronting a company when entering a new community. One of the most outstanding examples of a carefully planned and capably executed program of this type was provided by International Harvester Company, when it announced plans for location of its refrigeration division in Evansville, Indiana. Under the direction of Dale Cox, public relations director, the following program was carried out:

While Evansville was being surveyed as a possible site for the manufacturing operation, various contacts were made by Harvester representatives with business groups, city officials and Federal government officials, etc. These groups were acquainted with the company's needs and requirements as well as with the general way in which the company expected to operate in the city.

When the company decided to purchase the site and plant which became Evansville Works as well as the seat of the company's refrigeration division, a news release was prepared and given to the local press. This news release announced the purchase by Harvester of the Republic Aviation Corporation plant, the sales price, expected employment, date for starting production, the products to be made, the nature of the make-ready task that had to be done, described the plant site, announced appointment of managerial people, and told of plans to employ people in the Evansville area. Both local newspapers carried stories and commented editorially on the location of Harvester in Evansville.

During the first few weeks of residence in Evansville, key members of the division staff visited all major industries, businesses, banks, and others. Firm contacts were established with these, and their questions on Harvester policies, aims, objectives and plans were freely and frankly discussed. The publishers of both local newspapers were visited by the company's director of public relations and the general manager of the refrigeration division.

### Approach to the Public

The initial newspaper stories were of great value in telling the public about the new operation. In the first ninety days, the local press carried stories on products that would be made, acceptance of applications for employment, stories and pictures of the entire divisional staff, the origin and development of the company's refrigeration division, and the history and philosophy of the company.

A more direct and personal approach was made a month later when the company entertained 100 local leaders at a "get acquainted" luncheon. The purpose of the luncheon was to present Harvester officials and staff men who would be resident in Evansville and civic, business and professional leaders of Evansville to each other. Invited guests included representatives of all civic clubs, all industries, other businesses, representatives of the press, representatives of C. I. O. and A. F. L. councils, representatives of women's clubs, War Assets Administration, the armed forces, and professions of Evansville. During the luncheon, the general manager outlined the reasons for the company's selection of Evansville as a site, gave the details of the purchase, outlined in broad terms the company's general policies placing specific emphasis on Harvester employment practices, including the recruitment of employees within the area, upgrading of personnel, and policy toward labor unions. At the meeting Harvester made an appeal for housing for its people to which many citizens responded with help.

### Approach to Employees

The company's policy was to transfer to Evansville only a small skeleton force of supervisory employees necessary to operate the division in conformance with general Harvester policies. The rest of the personnel force was to be recruited in the city of Evansville and environs. This was carefully explained to local leaders, the press, and through the press to the public. Residents of Evansville were informed by the newspapers and by advertisements when and where the company was ready to accept applications for employment.

Each new employee attended an orientation course each day of his second week on the job for an hour and a half. During the course he was given as much information as possible about the Harvester company. Members of the works management organization taught these classes under the direction of the works training-director. There were question and answer periods in which answers were freely given to all questions.

### Union Organization Policy

The company's policy toward unions was carefully explained to the press and the local city leaders. The policy was repeated to every employee who joined the company. It was made clear to union leaders who attended the company's get-together luncheon. It was outlined in an institutional newspaper advertisement at a time when employees were faced with making a choice between various unions seeking to rep-

resent them. When a union was certified by the NLRB as the recognized bargaining agent for the employees, an interim agreement was promptly negotiated for governing relationships until a definitive contract could be arranged.

### Participation in Community Affairs

The division has contributed regularly from the beginning to the annual community chest and Red Cross calls. Divisional and manufacturing staff members have served on Red Cross and community-chest committees as well as on membership and fund drives of other local agencies.

The company financed memberships in the Chamber of Commerce and the Junior Chamber of Commerce for its key personnel qualified to belong to these groups. Other Harvester people in managerial positions are members of Rotary, Kiwanis, and similar clubs.

The institutional advertisement "Here's What We Are Like," which explained the company's employment policies and basic policy, was inserted in both local newspapers. The Evansville Works included plans for an open house for employees and their families and the general public.

### CHECK SHEET FOR RATING YOUR COMMUNITY RELATIONS PROGRAM

#### A. *Company Policy.*

1. Is top management sold on the necessity for a sincere and consistent attitude toward the community?
2. Has a definite community relations program been outlined? Has it been explained in detail to all supervisory employees?
3. Are the labor relations and public relations divisions headed by qualified executives?
  - a. Can and does top management take them into full confidence?
  - b. Have they been given an opportunity to study and overhaul industrial relations policies and activities so that the company will always be on the right and ethical side of any argument?
  - c. Do the labor relations head and the public relations head work together?
4. Is plant property clean and satisfactory in appearance?

5. Is the plant in its operation guilty of any of the more common community irritants?
    - a. Smoke, fumes, dust or offensive odors?
    - b. Pollution of streams?
    - c. Destruction of landmarks or local beauty spots?
    - d. Headless driving and deliveries?
    - e. Local tax dodging?
    - f. Neglect of local labor in obtaining key personnel?
    - g. Importation of labor without advance preparation, such as providing housing?
    - h. Cheapness in wage matters?
    - i. High accident rates?
    - j. Meddling in local politics?
    - k. Plant wastefulness?
  6. Has there been a recent poll of employee and public opinion? Does the company know what the public thinks of it, its policies and personnel?
  7. Is there available an analysis of the community itself, its problems, its weaknesses and civic ambitions?
  8. Have all points of citizen contact been checked for good community relations practices—the telephone switchboard, purchasing department, employment division, etc.?
  9. Have company executives and supervisory employees been urged to take an active part in civic affairs?
  10. Are the executives public and employee-relations minded?
- B. *Publicity and Advertising.*
1. Have arrangements been made to assure local press and radio of a 24-hour source for company information?
  2. Are plant-news releases written in best news reporting style, without padding, and angled for community interest?
  3. Does the company use institutional advertising regularly to emphasize importance of plant operation in community life and economy?
- C. *Requests for Speakers.*
1. Has a routine been established for prompt handling of local requests for speakers?
  2. Are company executives given adequate assistance in preparation of speeches and of charts and other visual aids when asked to address more important gatherings?
  3. Have several persons of supervisory rank been selected because of their speaking ability to represent the company at

meetings not of sufficient importance to require the time of company officials?

4. Are all speech manuscripts cleared through one office for protection in matters of policy?

D. *Open House and Tours.*

1. Have you held a plant open house recently?
2. Does the company have an established plan for proper and courteous handling of visitors who "just drop in"?
3. Do you have a souvenir booklet to give visitors to remind them of their visit to your plant?
4. Are you doing anything to encourage local schools and community groups to visit your plant?

E. *Contributions to Local Charities.*

1. Has your company made a careful study of local charities and annual community drives to determine its proper share of responsibility?
2. Does your company cooperate with local charity campaigns in other ways than by monetary contributions?
3. Has your company made an attempt to spearhead any such community drives with the initial gift?
4. Is the community aware that your company is assuming its fair share of responsibility in such activities?

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### Editors' Note

The community relations program of a company must be tightly woven into the pattern of living in its plant community, and it must be a continuing process. It's the deep-seated convictions and habitual attitudes of the community's citizens that determine reactions to the principal events in company history. Those deep-seated reactions and habitual attitudes can be changed. But they can't be changed and seldom can be materially affected in the midst of a crisis.

It is essential that any community relations program be flexible. Community needs and interests are constantly changing. Their trend must be discovered and followed by frequent and regular public-opinion tests. Every such study reveals the identity and attitude of community leaders—leaders of all sorts of groups with mixed and complex interests. Appeal to community attitude always begins with concern for the in-

terests of community leaders and no program can succeed without the continual cultivation of them.

It is not enough to inform your employees and stockholders of changes in and development of company policy. Those policy changes and the programs predicated on them should be explained frankly and in detail either directly or indirectly through all available channels of communication to the opinion leaders in the community. These include the obvious categories of leadership in business, government, education and religion. They include also opinion-molding groups in the community such as women's clubs, labor unions, social groups and those people who conduct any sort of enterprise or organization where the public convenes in groups.

### Humanize Your Program

The success of any community relations program depends directly on the extent to which it is based on human contact and communication in human terms. This means that every such program must be completely humanized and personalized. In other words the business must be interpreted to the community in terms of the attitude and character of all of the people who are part of its organization.

Every community relations message should be drafted and communicated as a message to a family as well as to an individual. Some of the strongest industrial and community relations programs ever devised are based almost exclusively on that theory.

Daniel Pierce, assistant to the president of Sinclair Oil, discovered this truth years ago. Every indoctrination message he sends out goes to the home and many of them are addressed to the wife and mother, rather than to the worker himself.

For instance when the company wanted to put its refinery workers in uniform, largely for safety purposes, employees rebelled saying they were not going to be dressed like Roxy ushers or messenger boys. So Dan Pierce took the question up with the employees' wives. He pointed out not only that the uniforms would prevent accidents, but explained that Sinclair proposed to launder them regularly at company expense. He asked the wives how much time and soap they used getting the grease out of papa's work pants. Within a few weeks the male objection to the plan had completely disappeared.

If it be granted that an important audience in community relations work is in the home, then a substantial part of indoctrination messages should be carefully fashioned to appeal to women and children. Much of this job is being done by the company publication through special

copy dealing with home interest. Another effective tool is the reduction of messages to comics-book style which are sent directly to the homes or distributed through the schools.

### Strengthening Ties in the Community

Prepared program material for women's clubs have been made the very heart of many public and community relations programs. One of the outstanding public relations achievements of the last ten years was the outcome of the program put on by the rayon industry to talk women out of looking upon rayon as a cheap substitute for silk. Trade associations and the larger corporations in the industry sent speakers and program leaders into the various communities where they sold the idea that familiarity with fabrics and the use and care of them was a basic part of good grooming. Then they sent program kits to practically every organized women's club in America where the study of good grooming became a community enterprise. The real function of rayon was accurately and appealingly presented as an incidental part of an over-all program. This was accomplished on a national and industry-wide basis but the pattern can be and has been adapted by local companies on the community level.

Stock ownership widely distributed within a community is another tie between a corporation and the public. One pioneer in this field is Standard Oil of Indiana. At Whiting, Indiana, where the company maintains its largest refinery, one out of every four families includes a stockholder. This personal interest on the part of the dominant families in the community has stood the company in good stead in times of labor or political controversy.

### Caterpillar Tractor Co. Builds Community Prestige

Once a company has organized a community relations program, it usually discovers that some of its most effective work can be done in cooperation with other organized groups. Caterpillar Tractor Company of Peoria, Illinois, has set many precedents in this area of public relations. Some years ago Leonard J. Fletcher, director of training and community relations, organized a group of farmers and businessmen who met monthly to develop better understanding between the two groups and to work out programs that were mutually helpful. That program has since been taken over by the Illinois State Chamber of Commerce, but leaders of industry and agriculture continue to meet monthly and to develop mutuality of plan and purpose.

This device worked so well that later a group of business leaders was

organized to meet monthly with the clergy of all denominations. Finally a similar group was organized in which businessmen meet monthly with educators. Recently labor leaders were added to the two groups last named.

Caterpillar, in addition to training its executives and supervisors to make public addresses and take part in every sort of organized community activity, makes one more rather unusual contribution to community relations. At least two of its executives attend every meeting of the City Council. They take no part in the meeting and never interfere with municipal government. They do study city planning and projects and always find ways for Caterpillar to be cooperative. Probably no corporation in America lives closer to and enjoys a higher measure of respect from its neighbors than this company.

Servel, Inc., Evansville, Indiana, has maintained leadership in community relations planning ever since Louis Ruthenberg became president. One departure from the traditional patterns which he follows is emphasis on the company's service to education. The company maintains a department of education. It acts as a coordinating link between Servel's various publics and the educational institutions in the Evansville area which indoctrinate youth and shape public attitudes toward the company and toward all business.



FIGURE 9.—CATERPILLAR TRACTOR COMPANY PROVIDES SMALL TRACTORS TO HAUL FLOATS IN ANNUAL CHRISTMAS PARADE IN PEORIA.

### Cooperative Community Relations

Another outstanding example of business cooperation in a successful community relations program is that devised and directed by Louis B. Lundborg, general manager of the San Francisco Chamber of Commerce. Suspicion and resentment had existed for years between neighboring small towns and agriculture on the one hand and San Francisco and its business interests on the other. The situation had become so bad that a substantial part of the consumers within a 200-mile radius of San Francisco went far out of their way to trade elsewhere. Mr. Lundborg's first step was to take a thorough opinion poll of the area. He found 66 percent of the rural population critical of San Francisco and its business interests. He organized a committee of 83 leading farmers and of businessmen whose enterprises depended on agriculture. They sponsored a program of doing things to help farmers instead of boasting about the city's virtues. First they enlisted the help of newspapers, radio stations and grocery store chains to help dispose of an apple crop so abundant that it threatened ruin to many farmers. Within two weeks the surplus was lifted, prices had been maintained and farmers began to see some good in big city business.

Within a few months the committee did the same job to dispose of an excessive potato crop. From that time on, business and agriculture in the San Francisco area have worked together. A recent survey shows that 33 percent of the people in rural areas are critical of San Francisco business as compared with 66 percent when the program began.

### Newspapers Discover Value of Community Relations

The potentialities for success of any community relations program have been materially enhanced by the suddenly awakened interest on the part of newspapers in such projects. This arises in part out of the human element involved, which always makes for good news copy. It arises also out of the fact that newspapers everywhere are discovering the real value of public relations, instituting their own departments and cooperating with most constructive programs in their own communities.

An interesting manifestation of this trend developed in Rochester, New York. The newspapers became disturbed by a marked increase in juvenile delinquency and undertook a survey to discover its causes. They learned that the principal resentment on the part of teen-agers was that the milk bars and community centers operated for them tended to treat them as problem children. The youngsters wanted a

place of recreation where they could enjoy themselves without being policed and where they might act as adults. Rochester newspapers put up \$30,000 and built "The Barn". It is an attractive but not lavish night club about five miles out of town. The youngsters manage it themselves under the direction of student councils of the various high schools. Decorum in the place is far better than that of the night spots patronized by the parents. Juvenile delinquency is declining sharply in Rochester and appreciation of the Rochester newspapers' community relations job is increasing proportionately.

The basic motivating factor in all good public relations is service. Nowhere is service more effective as a public relations tool than in community relations. And the modern concept puts an end to all the abuses and frustrations of the old and now largely abandoned pattern of paternalism in community relations.

Good community relations call for the application of practically all the principles of sound public relations and the use of most of its tools.

—G. G. and D. G.

## RELATIONS WITH CUSTOMERS AND PROSPECTS

BY LEW HAHN  
President, National  
Retail Dry Goods Association



**T**HE FACTORS WHICH CREATE an impulse to buy the goods or services of a particular producer or retailer are much the same as those which develop friendly attitudes and a public disposition to speak well of a company. The retailer is in more intimate contact with the public than is any other branch of business. A few big manufacturers have done extensive research in the field of consumer relations, but the patterns and practices that largely determine the public attitude towards those who manufacture and sell consumer goods have for the most part been developed by retail establishments and retail trade associations. This chapter will approach the question largely from the point of view of the retailer.

However the policies adopted and the techniques used by retail groups in cultivating consumer good-will can for the most part be adapted by almost any organization concerned with the opinions and attitudes of customers and prospects.

### Customer Relations a Staff Function

In considering relations with his customers, the retailer is practicing his public relations policy. If his public relations policy is good, he succeeds. Every industry, every store, and, for that matter, every individual has a public relations policy. Whether the policy of the organization is good or not always depends on some one individual in the organization.

In retailing, public relations is more than a factor of top management. It is an attribute. A store's public relations policy begins with its owner. From there on it is up to a whole series of individuals—every employee of the store—to carry out that policy.

In retailing, as in most other industries, everything done affects public relations. This makes it difficult to hold any one person solely responsible for all phases of public relations. The whole staff must be imbued with a policy which can only come from top management and must penetrate every department. All successful organizations have these policies, although unfortunately in most cases the policy is unwritten and is recognized only vaguely by personnel and the public alike.

One of the most successful merchants I know—and he is successful because of his mastery of the public relations of retailing—is Wade G. McCargo, president of H. V. Baldwin & Co., a small department store in Richmond, Va. Mr. McCargo started his business career at the age of 12, before he'd had much time for a formal education. Although a junior partner for years, not until 1946 did he have the opportunity of purchasing control of the store from the estate of the senior partner. His employees knew he had this opportunity and also knew that it would strain his available capital. A Negro truck driver headed a delegation of employees who offered to work without pay for a time if they could help Mr. McCargo buy the store. He was able to do without that assistance, but the offer symbolizes the highest type of good public relations on the part of a retailer, not only with the outside world but within the store family where all good public relations must begin.

### Coordination with Other Public Relations Activities

The great goal of business is to achieve customers, not just sales. Anything can be sold once to somebody, but an organization becomes successful as it develops customers who come back again and again.

Some thirty years ago, T. P. McCubbin, a well known merchandiser, said at an NRDGA convention:

"Salesmanship is selling goods which won't come back to customers who will come back."

In retailing, public relations is concerned definitely with a dollars-and-cents factor. This is in contrast to industrial concerns whose products do not go directly from the factory to the public. The retailers' customers constitute the public.

Although merchandising is basic to a retailer's success, no organization can endure on a structure which consists solely of this foundation. The merchandising must be recognized as an integral part of the overall public relations policy and all the other elements of a proper public relations operation must be correlated in the program.

This correlation is accomplished by an individual called a public relations director. Definitely his function must be one of correlation for he is, properly, an administrator to carry out the program required by the policies of management.

Here are outstandingly important elements which must be considered:

1. Employee relations
2. Advertising, including direct mail
3. Press and radio publicity
4. Customer services
5. Community service
6. Vendor relations
7. Stockholder relations
8. Relations with lawmakers

### Employee Relations

The first vital step in a public relations policy is that of bettering employee relations. No store can successfully show one face to the public and another to its employees. The public knows an organization best through its contact with the employees. The girl who sells handkerchiefs is spokesman for top management so far as the customer is concerned. The letter from the credit manager's office which accompanies an overdue statement is a public relations matter. The delivery man, the claim adjuster, even the stock clerk have important public relations functions. Therefore, the indoctrination of employees, their training, and their working conditions must be coordinated with the company's over-all public relations policy.

The employee is the most important factor in that two-way communication. Through the medium of public relations—and through the employee at the same time—the true picture of management is carried to the public and, equally important, the desires and opinions of the

public are carried to management. It is only through good employer-employee communications that corporations can maintain proper contact with their customers.

How many companies actually are aware of their customers' desires? The retailer knows these desires better than the manufacturer but at best only imperfectly unless employees are encouraged to report consumer attitudes. Unfortunately, most executives are so burdened with administrative details that they are unable to meet the public personally and may not keep the channels of information open.

Many successful and consequently great merchants have taken steps to overcome this problem. The late Jesse Isidor Straus, former head of Macy's, and his two brothers made it a practice to spend part of their time on the selling floors during the busiest periods.

When the merchant is able to be on the floor and associate himself not only with his customers but with his employees, there is no lag in knowledge between employer and employee. Each is able to transmit his particular ideas, hopes, and grievances directly to the other and both are aware at all times of the customers' demands. Unfortunately in this mass production civilization of ours, this close relationship is possible only by means of planned procedures. Definite methods of improving the communications between employer and employee must be set up and kept in good working order. These methods must be supervised constantly to see that they continue to work.

Among the most practical means of communication are bulletin-boards, orientation classes, internal publications, suggestion boxes, and public-address systems. All of these methods have proven successful in some stores; all of them have been failures from time to time in others. None can do much good without intelligent operation. Usually the store with the most progressive personnel direction is able to maintain the best employee communications.

### Advertising

The best known of the public relations tools is advertising. This must sell not only the company's goods but its policies—its relationship to the customer and the community.

As long as I can remember, a battle of words has raged on the subject of institutional versus product advertising. There are those who assert a company's prestige is best achieved and maintained through advertisements which merely tell favorable things about the institution to entice the public inside where the wares can be spread before them. And there are those who assert: "The more you tell the more you sell."

As a matter of fact, good advertising—by newspaper, magazine, display, radio, direct mail, and word of mouth—contains elements of both schools of thought.

The advertising manager of a company must at all times be thoroughly familiar and thoroughly in accord with management policies. Never has this fact been more dramatically demonstrated than in the classic rivalry between Macy's and Gimbel's. Every one within the scope of their mighty advertising programs is well aware that Macy's keeps prices down and that good old Gimbel's has what you want. The advertising policies of both these stores, in the midst of their battles, establish definite personalities. At the same time both stores advertise items of merchandise.

In the use of radio there are many divergences of opinion. A store which has had outstanding success in radio advertising is Joske's of Texas which, through a great variety of radio programs, lets the whole Southwest and part of Mexico know that it is "the biggest store in the biggest state." Its experimentations with radio have led its management to the conclusion that programs must be beamed to definite classes of customers; that is, there is a certain and separate type of radio program necessary to project the store's personality and merchandise to separate types of customers. Many other companies, too, have made intensive studies of the use of this medium. En masse they would seem to indicate that radio advertising, like any other tool of public relations, must be prepared by experts in order to attain the fullest success.

Direct mail advertising is one of the most potent means of selling a company as an institution to a relatively small section of the public. In the case of a department store, most direct mail goes to charge customers who, of course, are already reasonably familiar with the store or they would not have charge accounts. To these individuals is sent item advertising and also institutional matter. Pamphlets may be used to explain the reason for marked-down bargains, facts of employee services, special community projects and general retailing philosophy. Much of this material ordinarily is sent to the customer enclosed with the monthly statements.

Personal letters from the company head can be very effective if they are prepared either as an actual personal letter or as a printed statement which contains a personalized message but without any attempt to appear as an individual letter. In this connection it is to be suggested that the mimeographed form letter intended to appear as a personal missive almost always is a mistake.

A number of corporations make use of fairly elaborate external publi-

cations which they send to their customers and prospects. This is one of the more expensive public relations tools, but a very effective one when properly used.

### The Press

The newspaper editor is fundamentally interested at all times in every legitimate piece of news available in his community. He obtains this news, ordinarily, from regular sources. News does not arrive in the pages of a newspaper through any hit-or-miss process, but through carefully planned and well-integrated channels. Reporters, editors and rewrite men work as a team in exactly the same economic relationship as does the staff of a well organized company.

The alert executive will see to it that he himself becomes a regularly established news source. His direct contact with the public makes him invaluable to a newspaper. The reputable newspaper will use him as a news source regardless of the advertising involved. In this way, he can transmit to his customers and prospects a true picture of his policies and service to the community.

### The Radio

Most radio stations are as interested in the development of local news and entertainment sources as are newspapers. Quite apart from the use of radio in advertising, already mentioned, there is a wide field for further use—in public service, in community programs, and in other educational and entertainment features.

Get to know your local radio people. Send news stories to radio stations as well as to newspapers. Most stations set aside a certain amount of time each week for "public service" programs. These often take the form of talks or forums on subjects of interest to customers and prospects in the community. Executives should make themselves available as speakers for these programs.

### Customer Services

In order to establish a company as a community favorite, it is necessary to provide customers with more than the right goods at the right prices—although that is the basic requirement. It is necessary also to provide customer services which give the company a reputation for soundness in its human relations. These are some of the activities developed by retail stores to earn that reputation:

*Charge accounts.* The question of extension of credit to individuals

inevitably reflects the public relations policy. It is just as easy to make an enemy as a friend through misuse of credit. Here is where expert credit managers and controllers play a vital role in the store's personality.

*Free delivery.* Whether stores own their own trucks operated by their own personnel or subscribe to an outside delivery organization, care must be exercised at all times to determine that deliveries are made on schedule and in a manner which meets the desires of the customers.

*Shopping service.* Many stores set up departments intended to represent customers who write, telephone or call in person to make purchases. The personnel employed in these services must look upon themselves as the representatives of the customer if they are to create the favorable impression for which they were intended.

*Returns and adjustments.* The store must determine what it is willing to do in the way of returns and adjustments—and then do it graciously. If customers are forced to haggle and be made to feel small and mean before a return is accepted, it might be better to refuse to accommodate them. There are two reasons for returns: the customer is to blame or the store is to blame. Usually the chief source of returns is poor selling. If goods are sold to a customer properly, there should be few returns. When a woman wants something which is not available and the salesperson exerts undue pressure to sell what the store has, the probability of a return is strong. Other causes of returns include errors in delivery and goods which proved to be imperfect. Of course, there are unreasonable customers, but actually it is not the most unreasonable returns which hurt the most; these usually are good advertising.

*Free parking space.*

*Play room for customers' children.* Supervised by a competent employee.

*Free bus service.*

*Post office facilities.* Patrons are able to mail packages right from the store.

*Gift-wrapping service* (either free or involving a small charge).

*Check cashing service.* This, of course, needs to be supervised competently in a manner which will take care of individual, business and payroll checks.

*Free checking-service* where patrons can place packages while they shop in the store.

*Clothing counsellors.*

*Decorating advisers.*

*Cooking classes.*

Many stores go even further. An outstanding example of super customer service is given by Sanger Bros. of Dallas which offers these features:

1. Free bus and street car transportation by refunding one 8-cent car token with a 50-cent purchase or two 8-cent tokens with purchases of \$1.50 or more
2. Books are reviewed while they are best sellers, by Sanger's book reviewer before customer audiences
3. Conversational Spanish is taught in free classes
4. A Children's Talent Theatre is presented every Saturday under a professional director
5. A Christmas Thrift Club pays customers 3 to 5 percent on purchases which are entered in a book as bank deposits are entered
6. The Christmas Savings Club pays 5 to 10 percent on savings. Both clubs pay the dividends in merchandise scrip which can be spent as cash in Sanger's.

### Community Service

The most successful corporations at all times are leaders in their community's activities. This is an effective means for developing goodwill with customers and prospects. Leadership must take the form of more than mere donations by management of funds for worthwhile activities. There must be individual participation by employees through the encouragement and assistance of management.

Staff members should engage in such activities as the Boy Scouts, Girl Scouts, Sunday school classes, Rotary Club, Optimists, Lions, the Masons, Knights of Columbus, Odd Fellows, American Legion, Veterans of Foreign Wars, women's clubs, Red Cross, garden clubs, Chamber of Commerce, and every other civic organization.

The individuals who take part in these activities must be more than mere dues-paying members; they should run for office, and take active parts in determining the community's public consciousness.

In addition to these efforts embracing the direct personal touch, the company should be an outstanding contributor to fund-raising campaigns and, whenever possible, local staff men should take a leading part in these campaigns.

### Vendor Relations

Corporations are able to operate profitably and serve their customers satisfactorily only so long as they maintain sound relations with their vendors. Most manufacturers are grateful to distributors who give

them advance suggestions as to types and fashions of goods required on the basis of consumer demands.

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### Editors' Note

For one hundred and fifty years it was widely assumed that the two factors which largely controlled the sale of goods and services were quality and price. Today a third factor for influencing buying habits takes almost equal rank. This is public relations, usually expressed in terms of customer relations when it is applied to sales.

Competition of regional and national organizations has done much to level the price structure and few organizations which depend on low prices alone exist for any length of time. Standardization and the popularity of trade-marked goods have reduced the advantage of those who depended primarily on quality in competitive markets. And so today the outstanding difference which marks the successful manufacturer or merchandiser is more likely to be the strength of the human relations he maintains with his customer.

This is a growing trend. The force of it is proven repeatedly by customer surveys. One such test which recently attracted national attention showed that personal interest in customers outweighed the quality of merchandise by twenty to one, style by ten to one, and value and selection by seven to one.

The trend itself is not new, but widespread recognition of it is. Some companies have for decades found ways of applying the personal relations of a small merchant to all their customers even when they were numbered in millions. Despite the price advantages offered by the big mail order houses, the real key to their growth and stability has been a peculiar genius for giving personal service to their customers.

This pattern of customer relations was developed by Julius Rosenwald, founder of Sears, Roebuck & Co. as an adaptation of the practices of the small merchant. But the principles and procedures were expanded to cover the relationship of every department, executive and supervisor with the customers of the mail order house even when they took on the proportions of an army.

#### Who Is the Customer?

Every aspect of any public relations program comes to bear directly or indirectly on customers and prospects. The customer might be an

employee, a stockholder, member of the plant community, vendor, creditor, or just one of the public at large. But your public relations programs directed to any of these special publics might reach him as effectively as though it were directed to him alone. All the tools and techniques used in reaching these special publics can be employed in influencing this broader public labelled customers and prospects.

Perhaps it should be stressed that a detailed program is almost as important to the company seeming to enjoy the most cordial customer relations as to the one already conscious of some customer resistance. The satisfied customer is almost always passive in his relationship with the firm he patronizes. In contrast, the dissatisfied customer is likely to be active in his negative attitudes and frequently belligerent in spreading ill will.

### How to Plan the Program

There are three important steps in setting up any customer relations program. The first and most often neglected is a scientific and comprehensive survey to discover exactly what are the customer attitudes, not only toward the product and service, but also toward the institution and its policies. An initial survey to guide the original planning is never sufficient. Customer attitudes are dynamic. One employee may commit a faux pas which spreads to and influences the attitude of a broad section of customers and prospects. Not only should continuing surveys be made to keep step with fluctuating public attitudes but they should be used constantly to determine the effectiveness of the program adopted and to suggest changes in it. The most volatile factor in business relationships is the attitude of the individual customer.

Having discovered what the customer wants and the basic reasons for his attitudes the next step is to study carefully the products, services and policies of the company to be sure they meet those specifications. This may suggest only minor adjustments but it might point towards basic changes in production or distribution as well as in sales policy.

The third step is the setting up of an organization pattern for dealing with customer relations. Here procedures will differ widely with the nature of the business. One large and successful business may have fewer than a dozen customers. Another may have 20,000,000. But the great danger when this factor is weighed is that we may conceive of our customers as being too limited a group and the factors that influence them too restricted. Samuel Vauclain was the dominant locomotive builder of this country for a generation because he was instinctively a great public relations executive. The Class I railroads were his only

sales prospects and they numbered about 120. Yet Samuel Vauclain made the whole public conscious of his name in connection with locomotive building and the impact of that public attitude influenced the thinking of the operating executives of the railroads to an incalculable degree. They bought locomotives built by Sam Vauclain as much because they believed in him as because he built a good locomotive.

### Avoid Too Narrow a Program

The point of this is that in setting up a customer relations department one should make sure that the program will reach all the factors that will influence buying attitudes and not simply the purchasing agents of existing corporate or individual customers.

Obviously Lockheed Aircraft Corporation with a few airlines and the government as its principal customers needs a different organization and program than Metro-Goldwyn-Mayer whose pictures are seen more or less regularly by nearly half the population of the country. Whether a single individual or an organized staff takes care of customer relations, principles applying to the practice must always be much the same. Those directing any such program can learn from the experience of the larger corporations which have developed those relationships to a science.

Customer relations are an integral part of public relations. No company can long maintain sound and profitable customer relations unless its public relations policies and procedures are obviously and consistently in the public interest.

Customer reaction will be much the same whether the company sells directly to a few large manufacturers as is the case with the machine tool industry; has indirect customer relations with the whole public but sells exclusively through distributors and dealers as is the case with the automobile industry; or sells directly to the retailer or to the consumer.

### Customer Relations at A. T. & T.

Direct appeal to customers is possible regardless of their numbers. Few companies have more customers and prospects than the Bell Telephone System, yet few have more direct and effective relations with those customers. Nearly a year after peace, A. T. & T. discovered they still had nearly 2,000,000 unsatisfied applicants for service. A nationwide newspaper advertising campaign launched a program to educate customers and prospects as to the manpower and material bottlenecks that were impeding the expansion program of the system. Within six

months after the program started, complaints as to the tardiness of service not only declined below their wartime level, but actually fell off to 25 percent of the prewar normal.

### Sound Customer Relations Revives an Industry

The best customer relations programs are those that give the public continuous and visible evidence of improved service. One of the most successful and perhaps spectacular proofs of that truism has been the experience of the ice industry. This business was on its last legs. Everywhere mechanical refrigeration was taking over the business. This was largely because delivery and service were a nuisance to every customer. Icemen were smelly, dirty and discourteous. Ice was not delivered in the sizes and shapes wanted. The public lost all sight of the fact that in many cases ice was cheaper and better as a refrigerant.

A monumental customer relations program was inaugurated and it began from within the industry. Wages and commissions of delivery men were increased, younger men were hired and thoroughly trained. They were given new uniforms and leak-proof bags in which to deliver ice. New and economical iceboxes were developed and distributed.

A wide variety of similar positive improvements in service quickly revived the industry. Today despite the great expansion of mechanical refrigeration more ice is being delivered to domestic and commercial customers than ever before, and the industry is generally prosperous.

### A Continuing Program Pays Dividends

One of the most dramatic experiences to prove the direct profit that can accrue out of sound customer relationships was that of South Carolina Electric & Gas Company, Columbia, South Carolina. This company has always been one of the leaders among the utilities in the practice of good customer relations. Recently wage increases and rising material costs forced the company to apply for increases in bus fare and gas rates. It was planned to put on a broad and expensive program of advertising in an appeal for support from the customers. When the hearings were held only two customers appeared to protest the increase in bus fares and not one opposed higher gas rates. The advertising appropriation was cancelled and those funds were diverted to an expansion of the continuing customer relations program. In one way or another customer relations overflow into almost every area of public relations.

—G. G. and D. G.

## STOCKHOLDERS IN THE CORPORATE FAMILY

BY W. HOWARD CHASE  
Public Relations Director,  
General Foods Corporation

XII

**M**ORE AND MORE OF US ARE finding that we have been wrong in our conception of stockholders. As a group they have not fared well in the public esteem. For years we have seen a mounting flood of propaganda depicting the stockholder as a thin-lipped fiscal schemer putting the squeeze on the industrial worker. The money-baron tag has been applied to the investor and has been made to stick in the minds of many of us. Ineffectual refutations or stoical silence have only added to the cloud under which the investor's name existed through the years.

### Who Is the American Stockholder?

Not so long ago, however, the nature of the average stockholder was subjected to searching analysis. A few enterprising and introspective companies made thorough studies of their own stockholder groups,

while some highly-regarded independent research organizations took an analytical look at the investor world as a whole.

What did they find? To the amazement of almost everyone, each analysis underlined the fact that, contrary to popular consensus, *stockholders are just people*—the kind of people who sit around you at the movies or who rub elbows with you during the Christmas shopping rush.

The idea that stockholders are the embodiment of decadent, bespectacled aristocracy was so deeply ingrained in public consciousness that the truth actually came as a revelation, not just to the layman but to most professional managers as well, that the average investor is an average American.

Evidence of this "discovery" makes its appearance repeatedly today in corporate annual reports and other literature. In them we are now told that we should look among farmers, schoolteachers, grocers, housewives, salesmen, and small businessmen, to find our average stockholder.

The tip-off in this to the student and practitioner of stockholder relations is not the revelation itself. A more significant conclusion is that a majority of the members of top managements do not react instinctively to this truth.

Business managers have by tradition subscribed to the family-inheritance theory of capital ownership for so many years that it requires considerable effort on their part to accept automatically the universality of the stockholder.

### The First Step

It follows, then, that internal corporate education is the first step in any successful stockholder relations program. The day-to-day practitioner must see to it that management appreciates the nature of the stockholder. It must be constantly impressed on executive consciousness that the stockholder may be anything any one of us is. The body of America's investors is a cross section of its responsible citizenry. The spread of public ownership is progressing daily. It is estimated that the investors in American business total some 25,000,000 today. The composite of them all is a thrifty, intelligent person—often a woman—whose holdings are far from a fortune. Usually they are the hard-earned savings from some business or from personal employment.

Failure to establish a management understanding of the nature of a company's investors right from the start is to water down the total effect of any stockholder-relations program, no matter how large its budget or how comprehensive its plan.

The program can be fully effective only when there is appreciation on the part of all who can influence its progress that the stockholder is, first, a citizen; second, a capitalist; third, a consumer; and, fourth, often an employee in a basic industry.

### Need for Positive Approach

Passive management acceptance is not enough. There is need also for a positive attitude toward good stockholder relations. This is axiomatic in any discussion of corporate public relations. Evidence abounds, however, to show that this opinion is not shared wholeheartedly by all who are in a position to encourage its development. The theory enjoys lip-service, but supporting deeds are frequently lacking.

We have seen real progress during the past few years. More and more corporate managements are subscribing to the thesis that it is important to encourage a closer affinity between a company and its stockholders. We hear more and more the phrase "stockholder relations" linked in the same breath with "public relations" in trade and professional circles and in the press. We even find today that some forward-looking companies have assigned to a public relations specialist the relationship functions which were formerly considered a bothersome task included among the corporation secretary's many responsibilities.

The "Best of Industry" awards made every year by *The Financial World* for excellence in annual reporting have helped to draw attention to the need for more effective ways of corporate accounting, not just to the owners of the business, but to employees and to the public as well.

### Must Be Continuing Job

Because stockholders constitute a relatively stable part of our society, their support of industry and its problems is generally taken for granted. This attitude is both unfair to the stockholder and short-sighted in its bearing on the corporate interest.

As a part owner, the stockholder has a clear interest in his investment. Sometimes this interest is a subconscious thing lying dormant and awaiting some slight encouragement to arouse it into an active, conscious force. That is why stockholders should be considered one of the best potential public relations assets of any company. Underlying the relationship is a community of interest. The company already has a letter of introduction into the mind of the individual investor. Not to take advantage of this opportunity is to turn one's back on one of the best and most common public relations opportunities offered any corporation.

All too frequently companies will coast along through periods of high earnings and corporate solvency only to find that, when adversity strikes, their source of new capital has melted away like new snow in an April sun. It's during the comfortable years that a company and its management should cultivate investor appreciation of the human qualities of the organization—its vitality, resourcefulness, and interest in the stockholder as an individual. If you would retain the loyalty and support of your stockholders, do your selling while you have them. It is usually too late when the crisis is at hand and your capital has fled.

### Objectives of the Program

What should be the goals of a program for stockholder relations? Simply put, the aim should be to cultivate the investor's friendliness and loyalty to his company.

More specifically, the company should:

1. Keep the stockholders' welfare constantly in mind in every decision which could possibly have a bearing on the investor; fair play is an unbeatable force in good public relations
2. Strive for corporate attainment and leadership which will build stockholder confidence and pride of ownership
3. Gain their steady interest by keeping them informed about the things that matter to them; take them into your confidence whenever possible; try to give them *advance* notice of company events and developments in which they might be interested
4. Enlist their active help in promoting the company's welfare; educate them in corporate problems, in product promotion, and in their role as corporate members
5. Take full advantage of every opportunity to increase the investor's confidence, respect, and appreciation for the company and its management.

### Steps in Planning the Program

It is difficult to generalize about a stockholder relations program. It requires skilled hand-tailoring to fit the conditions and needs of the company involved. A few suggestions, however, may be of help in developing an outline.

Full responsibility for conception and administration of the program should be lodged in one office, preferably a function of public relations, and the principal should have ready access to the president and the chairman of the board.

The question "Which comes first, the program or the budget?" is

about as easy to answer as the age-old question about the chicken and the egg. Perhaps the best solution to this one is to develop program and budget simultaneously. In a well-organized business, one is sure to be lost without the other.

Every convenient, economical, and logical opportunity for addressing a message to stockholders or for effecting personal contact should be anticipated in laying out the program. Long and careful pre-planning sometimes spells the difference between effective effort and failure. Most stockholders are sensitive and discriminating. Simple good manners and good taste should be observed in every project.

The program should not be any broader or more detailed than the manpower and funds available to carry it out. The field is one in which finesse and judgment in the handling of human relations are particularly important. Consequently, it is better to start off with a limited program administered with care in every detail than to set the goal so high that the quality of the performance suffers because the details cannot be kept under control.

#### Stockholders Are Consumers, Too

Reduced to its simplest form, the average industrial company is a vital amalgam of both people and products. Cultivation of appreciation of its products can be a richly rewarding part of a company's public relations. Important expenditures are made in an effort to attract public attention to the products a company makes and otherwise promote them. But how often do we find a corporation making a serious effort to tell its stockholders what its products are, how they may be used, and how important their continued use is to the stockholder?

After all, public acceptance of a company's products is the foundation stone of corporate earnings. Stockholders and employees share a solid interest in the success of the enterprise. As part of the public they are in a position to influence those around them in your favor or against you. But as individuals they are part of the public which is passing judgment every day on your company and its products. Stockholders—with employees—stand, then, in the forefront of any company's army of good will—or bad will—ambassadors. This principle holds whether your investors are numbered in the hundreds or in the tens of thousands. A progressive stockholder relations program will identify the stockholder's self-interest with his position in the community. Few companies have more than scratched the surface on this one, but Johns-Manville, Standard Oil of New Jersey, General Motors, and others have made an earnest move in the direction of this goal.

### Tools for the Program

Every corporation is in the stockholder-relations business, whether management realizes it or not. Once a year, the corporation has to make its annual report to stockholders. It is obliged also to issue quarterly financial statements. Also, once a year, the management meets some of its stockholders at the annual meeting. Prior to this it has had correspondence with them in the distribution of proxy statements and forms. These, then, are the basic tools of the stockholder relations program.

Other general tools, successfully used and here recommended, are periodical informative literature, special bulletins, letters of welcome to new stockholders, personalized correspondence, surveys of investor attitudes, and special offers to stockholders.

### Tell Stockholders the Whole Story

What are the elements that form the nucleus of information in which stockholders should be interested as good investor-citizens of their company? They appreciate being advised about new director and officer elections. They like stories about the personalities of these men and women. Give them general product information with special emphasis on new products. Keep them constantly informed about the financial condition of the company. Tell them about new plants, about supply and distribution problems, about the company's service to consumers. Every company has its share of human interest stories. Frequently stories of operating efficiencies can be told in a stimulating style. Information about radio, television, and other special promotions in which the company is participating has wide appeal, as do stories of anniversaries and other special events in the company's history. The list is much longer. Editorial discernment and energy are all that's needed to amplify it to suit the special conditions that accompany a particular situation.

Anyone going over the 1946 annual report of the Plumb Tool Company of Los Angeles would get the immediate feeling that here, for instance, is a company that thinks and operates on the human level. This report, which has been presented in the form of a magazine about, by, and addressed to, the "Plumb People," is an unusually effective document for management communication with stockholders, employees, and customers. Each major topic was written as a feature article about men and women and by the man or woman responsible for the operation treated. An indication of the warmth of management's approach

may be drawn from an illustrated feature in the book written by the director of employee services and titled "Plumb at Play."

### The Annual Report

A company's report of its year's operations and progress is the cornerstone of its relationship with stockholders. The annual reports of most companies are handicapped by tradition. Essentially, the report satisfies the legal requirements if it contains an audited income statement and balance sheet and announces the date and place of the annual meeting and the mailing of the proxy statement.

The preparation of this type of report has long been the responsibility of accountants. Result: bland gray pages of dull words and depressing columns of figures. This is the annual report reduced to its simplest—and least productive—form, but it exemplifies a policy still followed by many companies which see in it the line of least resistance.

More progressive companies today recognize the annual report as a sound instrument for good public and stockholder relations and take considerable pains in its preparation, production, and distribution. Sadly enough, few corporate annual reports are read thoroughly by stockholders today. But to be a useful public relations tool, it must be read. Nor is readership alone enough. It must be understood.

### Humanize Your Story

The stockholder has an interest in his company. Nevertheless, he rarely forces himself to read a document in which his interest is not aroused. This puts the responsibility right back on the company. It is not enough simply to provide facts. It is necessary to find the wave-frequency of interest common to most of the shareholders; then broadcast on that frequency.

Every business has its story. What may on the surface appear to be just a dull, prosaic combination of mechanical operations invariably conceals a story with people playing the leading roles. An account of human experience can always be made interesting.

One of the chief obstacles in the path of better annual reporting is that the job is so heavily weighted on the statistical side, neither management nor stockholders can see the story for the figures.

The modern report should impart information. Figures are helpful in such a report only in the contribution they make to clarity and understanding. A report approached in this way and prepared with constant recognition of this fact can be a constructive part of a company's relations with its investors.

Let the text tell the story of the people of the company. Tell the story in words so simple that any of your friends, not just your professional associates, could understand it and find real interest in it. Take those parts of the story which lend themselves most readily to picture presentation or graphic treatment and present them as the editor of a national picture magazine might approach the problem of telling an industrial story. Remember, the competition is not just for readership—but for the minds of men and women.

#### Present a Theme

Develop the many facets of the year's operations in such a way that they can be tied into a central theme which runs through the entire report. This is an ideal that is sometimes difficult to attain, but unity in the presentation of the story is useful in attracting sustained readership.

Above all things, report it as it actually happened. A reputation for integrity is one of the strongest ties between management and stockholders. Managements, like stockholders, are very human folks. The self-protective and self-adulating instincts are as common among men and women of attainment as among those with lesser abilities. The natural impulse is to stress the good and gloss over the bad. Care must be taken to be objective. Time and again the urge to puff a little will creep in. Successful resistance to it will pay dividends in winning public confidence and respect.

#### Reports Need Not Be Dull

At best, banks of figures are depressing to most people who are not statistically inclined. These figures, on the other hand, are the tools of the financial analyst. The non-professional reader is more interested in the human story behind the figures if you will take time to interpret it for him. Charts and other forms of graphic presentation are being used widely to do this very thing, but the efforts of most still leave much to be desired. Further refinement of this phase of reporting is needed if we are to achieve broader and more specific education of stockholders.

Since substantial space in the report is needed to present the income statement and balance sheet, the best thing to do is to make the most of the situation. Word the captions in the interest of clarity. Avoid the use of traditional accounting jargon. Make each statement as meaningful as possible to anyone who might read it. Use typography skilfully and with imagination to implement reading-ease and quick comprehension. Incorporate the advantages of color in the lay-out of these

pages, and then put the current figures in a comparative setting which will provide the reader with a basis for judgment of operations over the years. There are specialists available in these fields.

Some companies now publish a ten-year comparison both for income statements and for balance sheets. This is a boon to the analyst and financial student and sometimes invites closer study on the part of those who would pass quickly over the customary non-comparative statement.

#### What Stockholders Want in Annual Reports

A stockholder analysis of what they want in their reports shows that a large majority look for an understandable commentary on earnings—a simplified accounting of the financial condition of the company.

They look also for a clear statement of the company's prospects. As a sidelight on outlook, they want information particularly about the future plans, and success to date, of the organization's research program.

Taxes rank high as an investor leadership topic. Stockholders are well-equipped by conditions to understand the simpler tax problems of a corporation. The private affairs of investors are seriously affected by taxes. Consequently, they are exceedingly tax-conscious. Since taxes take their toll on earnings and sometimes act as an impediment to corporate growth, they constitute an item to which stockholders give considerable thought and wide attention.

It is natural that there should be strong investor sentiment on the subject of management compensation. It is hard for the average stockholder to form a fair opinion about the justification of management salaries and bonuses without first having the facts made clear to him on which to base his judgment. But stockholders are, for the most part, a reasonable and understanding group with which to deal in the transfer of ideas. It is good sense to tell stockholders the facts about executive compensation.

Let them know about the complexity and responsibility of the management job. Tell them of the keen competition among companies for the services of high-grade management personnel. Let them know what they have at stake should they lose managers whose proved ability is so important to successful conduct of the company's business operations. Given these facts, the investor rarely fails to see the wisdom of adequate and reasonable compensation for capable, productive management.

#### Concentrate on Stockholder Education

We have discovered through attitude studies that stockholders have

little interest—too little—in the details of a company's relationships with employees. Here is a case where industrial statesmanship is needed. Well-rounded investor education warrants a comprehensive treatment of the company's relations with its employees, made interesting by relating it to the stockholder's welfare. The closer your program approaches the human plane, the better your chances of making this phase effective.

People are particularly responsive to tangible things. Remember your own exhilaration when you first took the wheel of your new car. There is some of this same stimulation in the stockholder's pleasure at viewing pictures of new plants and other industrial equipment. Pride of ownership is a warming sensation. Annual reports and other literature can add fuel to this natural reaction by devoting some space to description and illustration of the company's buildings and machinery, especially the progress of some recent plant expansion project.

#### Interim Publications

Periodical literature is a desirable medium for the transmission of information to stockholders. Dividend mailings provide the most advantageous and economical vehicle for accomplishing it, particularly for companies which make payments quarterly.

Character, size, and format of the material thus distributed should be determined by a thorough consideration of its purpose, the content of the message, postal limitations, and the many other conditions by which it may be influenced. The forms used successfully by companies experienced in stockholder relations run the gamut from simple check-size insert slips to ambitious booklets with expensive art, color reproduction, and mechanical design features.

The attractive "quarterly dividend letter" of the Air Reduction Company is a good example of sound planning, direct editing, and interesting presentation of material that should appeal to many investors. Borden's "stockholders' bulletin" is another simple but highly readable dividend enclosure.

Some companies, like Lion Oil, Richfield Oil, and others, use a folder with a window for the dividend check. This stratagem is a sure spur to readership.

General Electric recently used a pocket-size eight-page folder as a dividend insert to bring stockholders "up to date with jet propulsion." As one of a series, Westinghouse featured an enlightening story on air conditioning in its "stockholders' quarterly."

The Flintkote Company chose to attract special stockholder-attention

to two of its asbestos products—and to the story it told about them—by attaching tiny product samples to its dividend literature.

Sometimes proofs of current corporate institutional advertisements or reprints of management speeches or magazine articles are inserted. Whatever is distributed in this way should be part of a continuous program of education, self-sufficient by itself, but at the same time forming a constructive part of an integrated educational pattern.

#### Promotional Literature

Companies which produce branded consumer goods have a special promotional opportunity in their frequent messages to stockholders. The chance is given not only to encourage stockholder purchase of the products, but also to enlist the stockholders' aid in this promotion through friends and neighbors. As a rule, the locations of stockholder groups tend to parallel the concentrations of population throughout the country. Thus your good will ambassadors are strategically located to do the most effective community job for you.

General Motors sees to it that stockholders receive handsome promotional literature about its automobiles and other products. Johns-Manville takes the opportunity to put in a good word for its building materials. General Foods not only illustrates its literature with pictures of its many kitchen favorites but also includes in its semi-quarterly "GF Stockholder News" a recipe section which it calls "Homemaker News." This includes the elements of friendly service together with a story about the products and how they are used.

A wide-awake management does not wait necessarily for another dividend mailing to come around before notifying stockholders of some important and timely development. Sometimes the issue at stake is so vital in its nature and so sensitive to timing that it calls urgently for immediate action in the form of a straight-from-the-shoulder special bulletin. Such a notice sent by first class mail is sure of attention. If the stand taken and the content of the message warrant it, the natural result is a mounting respect for management. Remember, a good offense will always prevail over an equal defense—in competition as in other matters.

#### Correspondence

It is a sound rule to keep correspondence with stockholders on as personal a plane as facilities will allow. A personal request deserves a personal answer. Here, the dictates of politeness, simple good taste, and friendliness can make all the difference between an opportunity lost and a deep loyalty won.

If it is necessary to avoid answering a stockholder's question, be frank about the reason for the silence. If the answer to the question does not lie within the province of the company, be as helpful as possible in advising the questioner about where the answer may be obtained. Every added effort, however small, to be helpful is another small stone in the structure you are building, the structure of good relations between the people who manage the company and the people who own it.

One way to augment your program for personal correspondence with stockholders is to send a warm letter of welcome signed by the chairman to new stockholders. Just sending a simple letter of greeting is good. A letter with a real thought-contribution is even better.

This contact gives an opportunity, for instance, to implant in the stockholder's mind the idea that he can be of real help to the company. Encourage him to think in terms of the company's progress and welfare. Invite comments, suggestions, and sound criticism of policies and products. Whatever your message, put it in such a sincere and forthright way that a friendship begun with the purchase of the securities will be more firmly cemented.

#### Enclosures with Letters

If you are proud of your annual report, send it along with this letter. If you have developed other current literature of interest to the new stockholder, send that along too; in fact, send along whatever your considered judgment tells you is appropriate. The aim is to give the new stockholder a feeling of belonging.

An especially good way of accomplishing this—and of promoting your products—is to send a product sample or two. This is particularly good psychology if you have a new consumer product. Suggest a trial; invite a reaction. This helps to encourage a sense of participation in the company and at the same time enlivens the interchange with the presentation of a gift token as a memento of the occasion. Properly handled, this inexpensive sampling technique can be made to pay valued dividends in word-of-mouth promotion.

Avoid, if possible, the obvious use of reproduction processes in the preparation of these letters. Some larger companies have so many new stockholders joining the ranks every week that personally typed and signed letters are out of the question. There are machines available to help you out of this problem. A new mechanical typewriter permits hand addressing and then runs the letter automatically. One operator can keep four or five of these machines running simultaneously at top speed. Another device can duplicate a hand signature so minutely as to

challenge detection by an expert. With the aid of these innovations in the business machine field it is possible to produce hundreds of letters daily which have all the character of personal messages. Actually the message itself is a personal one from the chairman to the stockholder, a message, however, which could not be delivered economically without the aid of time- and labor-saving devices.

Just as the new stockholder is welcomed, the investor who sells his holdings is sent a note of regret by some companies. In most situations this practice constitutes a courteous gesture with a beneficial effect. Nevertheless, a word of caution is in order about its use.

Although statistics on stock transfers indicate that a majority of stock sales are routine liquidation for relatively minor personal reasons, a significant percentage of transfers is the result of personal adversity. It might be the death of the shareholder or of the partner in joint tenancy. It might be the effect of extreme misfortune or of any one of a countless number of variations of the adversity theme. Under these circumstances it is possible that the psychological climate into which your letter would go might be unfavorable no matter how well-meaning the original intent of your message. Some prefer, for this reason, to omit the regret letter, concentrating their good will efforts during the period of ownership.

#### The Annual Meeting

Letters and literature are important parts of the ideal program, but nothing is so constructive—or potentially destructive, for that matter—as personal contact between investors and management. The annual meeting, the only formal function in most stockholder-management programs when managers and owners meet face to face, offers a real opportunity. Whether that opportunity is fumbled or turned to corporate advantage depends on the planning for the meeting and on the principals who take part in it.

Plan a program that encourages attendance. Make it a memorable occasion for those who attend. A bit of imagination and a generous portion of frank sincerity can send your stockholders home saying some mighty pleasant things about you and your company.

In the formal meeting, business comes before pleasure, but it will be the pleasure, as a rule, which will be remembered long afterward. Without the introduction of a pleasurable note, the investor's recollection months later, if any, will be one of dull, cold business practice. Many corporations have succeeded in having stockholders attend meetings for the fun of it as well as to protect their investment.

### Management Participation

The success of the chairman and other members of management who participate can be measured almost directly by their public presence and the substance of their presentation. Facts and frankness are the best tools at their command. Management integrity and the human quality of the organization are on trial. There is a sale to be made every time management appears before its investors. Make sure that the effect you produce is good; that it is attractively packaged.

Hold your meeting in a comfortable, modest setting, easily accessible to as many stockholders as possible, and just large enough to accommodate the anticipated attendance. A crowded meeting is as bad as one where a few rattle around in an oversized room.

The annual meeting contains the seeds of a news event. Properly cultivated it can be developed into a sturdy one-day bloom on the financial pages of the daily press and sometimes can be made to merit favorable mention in editorial columns. Invite representatives of the press. Make



FIGURE 10.—WALTER S. MACK, JR., PRESIDENT OF PEPSI-COLA COMPANY, GREETS ONE OF THE STOCKHOLDERS ATTENDING THE "PEPSI-COLA FAMILY PARTY."

them welcome and comfortable. Give them the facts as soon as possible. Arrange an informal preview press conference with top executives if circumstances warrant.

Management should address a newsworthy message to its stockholders. This statement is the catalytic agent of a successful meeting. It should be factual, informative, and one that inspires investor thought and public thought. Warm hospitality should be the keynote. From here on, the meeting may be conducted in any way that seems appropriate to implement the basic philosophy of productive public relations, taking into consideration the many factors and conditions that are characteristic of your business and its problems.

#### Additional Features

Luncheons are added to the program by some, refreshments at intermission by others. An enterprising few have introduced entertainment in the form of motion pictures on subjects allied with the business. To carry this a step further, General Mills, for instance, puts its show on the road hitting a half dozen or so large cities at the time of regional stockholder meetings.

Informative displays built around product and operating themes have been rather widely and, for the most part, successfully used. Product and process demonstrations can be worked into the program. Special points in the main address or in other parts of the meeting can be effectively emphasized through the use of graphic presentations. Ingenuity will call up the possibilities. Taste and common sense will guide you in their application.

A report on the meeting should be made to all stockholders. This in itself gives added reason for thinking of the meeting in the broadest sense. Although only a handful—or a few hundred—may attend, the participation in the meeting is thus extended to a large part of the investor group.

#### Director Relations

Since the directors of a corporation represent the stockholders in the conduct of the company's affairs, the character of the directors themselves and their relations with the corporation are of interest to most stockholders. Effort should be made to humanize the directors and the management to stockholders. Pictures and biographical sketches in stockholder literature help to accomplish this. Just as the stockholder should be interpreted to management as an individual who thinks and acts on the plane of human everyday activity, so should the directors

and managers be pictured to the stockholder. People have everything in common with other *people*. People feel that they have *little* in common with figureheads.

### Keep Directors Informed

Progressive management also has an obligation toward its directors in keeping them adequately informed of company policies, operations, and financial condition. The quality of the report by the chairman of the board to the directors is chiefly responsible for seeing that the directors are properly posted. All the facts should be assembled for them in detail for careful examination but reduced to a form and style which promotes quick, easy assimilation of the facts. Treading this thin line calls for a subtle sense of balance.

All the writing in the world, however, cannot tell the whole story. The director should be given an opportunity to see for himself. A program of trips by directors to the company's various plants and properties can make them more effective in fulfilling their responsibilities. Knowledge of such a program on the part of the stockholders is an added source of confidence in the ability of the directorate to guide the affairs of the company.

Sylvania Electric, for instance, is one of several companies that schedule its directors' meetings to be held at its different plants. General Foods organized a series of plant visits for its directors which began back in 1938.

### Special Offers

Not all companies produce commodities or services which are readily adaptable to direct use by stockholders, but in those cases where it is possible, special offers constitute a rare opportunity for winning better relations with them.

Godchaux Sugars, Inc., recently sent a booklet of recipes along with its annual report. The stockholders of Simplicity Pattern Company received a dress pattern enclosed with their annual statement. General Mills offers to new shareholders a gift package of its principal products on request. General Foods makes a bargain offer of a Christmas Gift Box to its stockholders and employees for delivery to friends and relatives at Christmas time. This practice began in 1934. Except for the war years, it has been an annual institution in the company's stockholder relations program. It ranks probably as the most memorable point of contact between the company and its stockholders.

The offer, which is priced at cost to the stockholders, is composed

of an assortment of the company's principal products together with a quality premium, the whole attractively wrapped in a special holiday gift package. Stockholders are permitted to order those boxes for themselves and others in any reasonable quantity. Tens of thousands of these boxes are ordered and distributed at Christmas time, not just among stockholders but also among their friends. Nearly a million people came in contact with these gifts at some point during the normal holiday season. The stockholder's esteem for the company is enhanced; pride of ownership mounts. The recipient is invariably grateful and associates General Foods products with the happy occasion. Net result: a self-liquidating sampling promotion under the most favorable circumstances among a hand-picked segment of the public. Satisfactions are high among all concerned, and stockholder relations take another long stride.

There are similar possibilities waiting to be developed in other corporate families. Study your own situation thoroughly before deciding to pass up the potential values this practice offers.



FIGURE 11.—CHRISTMAS GIFT BOX CONTAINING GENERAL FOODS PRODUCTS OFFERED TO STOCKHOLDERS AT BARGAIN RATE.

## CONCLUSION

The field of stockholder-management relations is a wide one. It pleads for more attention. Its objectives are simple and attainable: Do everything that is practical *to promote—and deserve—the loyalty and friendship of stockholders.* The results are varied and profitable.

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### Editors' Note

The average corporation is just beginning to realize the basic importance of stockholder relations. The awakening comes not too soon. A recent study by the National City Bank of New York shows that 72 of the 100 largest corporations have more stockholders than employees. And yet many big corporations still spend millions on employee relations and dimes on stockholders relations.

However, there has been marked improvement in this area in the last two or three years. Not only is the average annual report far superior to its recent predecessor, but the human elements involved are being explored on a more intelligent if not scientific basis.

### New Progressive Trends

Lewis D. Gilbert of New York City was rapidly acquiring a national reputation as a gadfly and a nuisance when corporate management began to discover that his constant heckling for more exact and useful information to stockholders had materially improved stockholder relations and stockholder confidence throughout the country. One of the things Mr. Gilbert has fought for is a detailed and accurate statement to stockholders of precisely what happens at stockholders' meetings which they do not attend and frequently are discouraged from attending.

While the practice is by no means universal, a growing list of important corporations have adopted the practice of issuing an exact report of the proceedings and mailing them to shareholders immediately after the meeting date. Among the best jobs being done in this area are those of Standard Oil Co. of New Jersey, R. H. Macy & Company, Inc., American Can Co., A. T. & T., Radio Corporation of America, Tide Water Associated Oil Co., United Aircraft Corp., U. S. Pipe & Foundry

Co., Aviation Corporation of America, Beatrice Foods, Noma Electric Corp., Pennsylvania Railroad Co., Consolidated Gas, General Refractories Company, International Telephone & Telegraph Corp. and General Foods.

An outstanding development in stockholder relations in recent years has been a conscious effort to encourage shareholders to participate in meetings. They are urged to submit resolutions to be carried in the proxy notice and to be discussed at the meetings.

There is constant expansion and improvement in techniques for sending interesting and informative material to stockholders along with their dividend checks. Some even go so far as to make the check itself carry a public relations message. A pioneer in this trend is Florida Power Corporation, St. Petersburg. Its bank checks carry a utopian birdseye view of Florida in four colors—palm trees, poinsettias, and tarpon struggling to jump into fishermen's laps against a background of golden sunshine.

#### Personalize Management-Stockholder Relations

It was discovered long ago that the surest way to build interest in a company among shareholders and loyalty to it, is to bring them to the plant, permit them to observe their company's processes, products and procedures, and let them meet some of the management executives. Yet business is barely beginning to develop this technique.

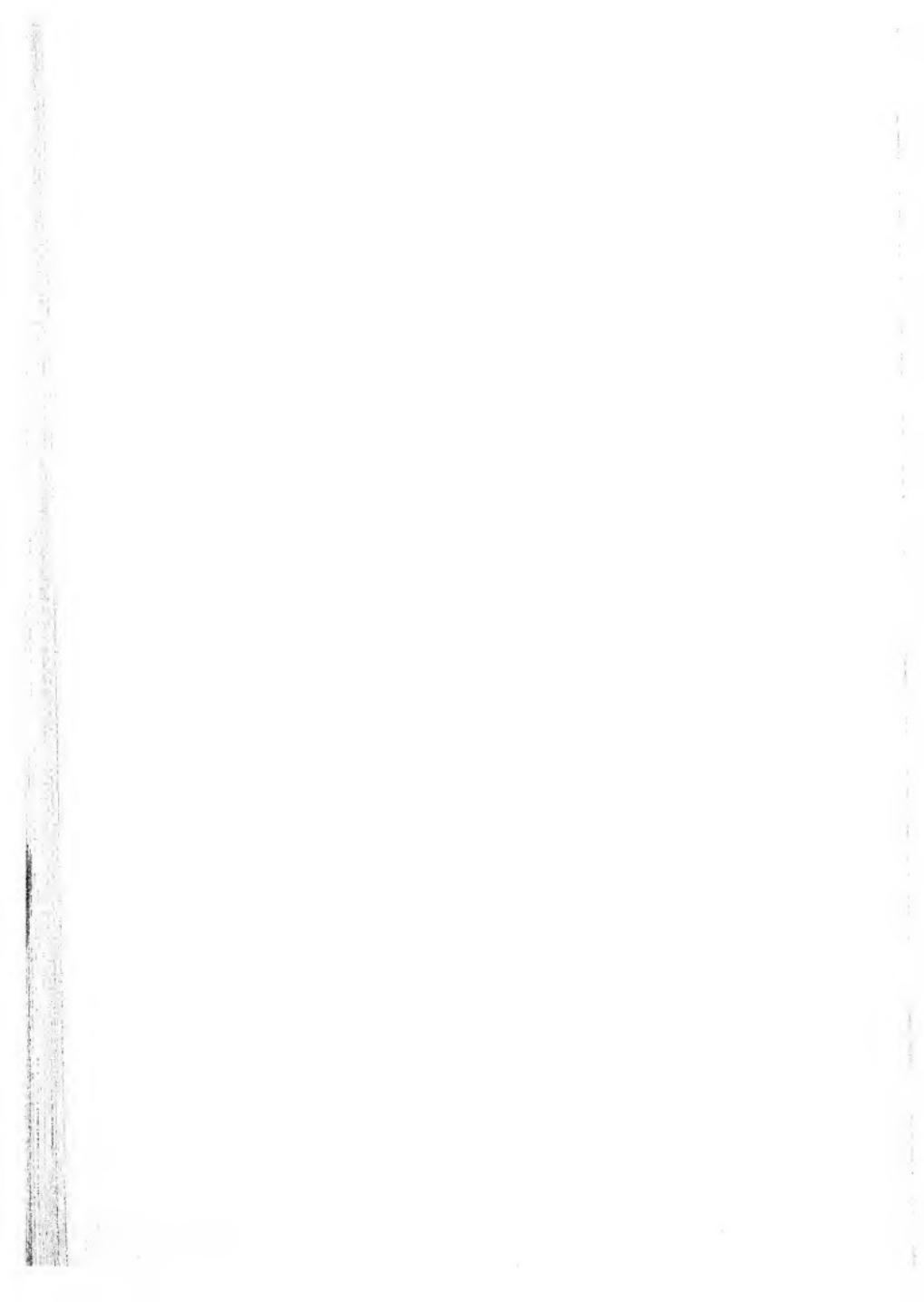
Many corporations have found ways of taking management directly to the stockholders. In addition to regional stockholders' meetings, some of them organize tours in which their directors visit plant cities and principal market centers to meet informally not only with business leaders but with employees and the citizenry generally. This has been done with conspicuous success by Sears Roebuck & Company, United States Steel Corp., and Missouri-Kansas-Texas R. R. Company. M. K. & T. has a variation of this formula. Each month the directors hold their regular meeting in a different industrial center served by the railroad.

#### Report Your Public Relations Program in Detail

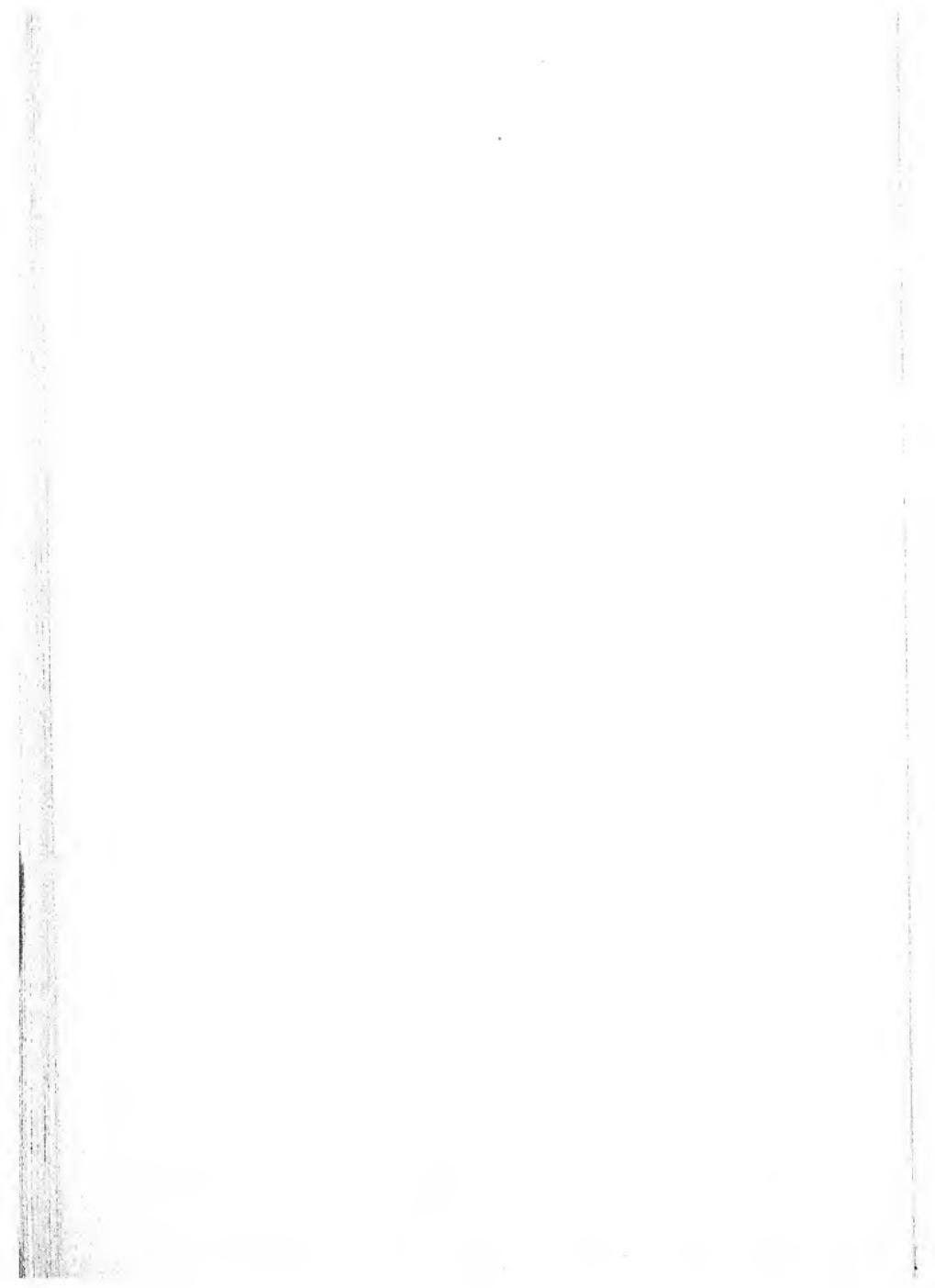
The most conspicuous weakness in stockholder relations today is the almost universal failure to keep shareholders informed in detail as to the employee and community relations problems, and the programs which are intended to solve these problems. This may seem paradoxical at a time when the prosperity if not the very existence of business depends directly on how those relationships are handled within the next very few years.

This leads to the question of inadequate accounting for the public relations program of most corporations. Many of them are spending freely on public relations and yet do little or nothing to explain the expenditure from the point of view of either stockholder interest or public interest. Every single medium that is used as a channel of communication with the stockholder should carry a continuing story of the purposes and accomplishments of his company's public relations philosophy and program.

—G. G. and D. G.



*Part IV*  
OPINION SURVEYS IN  
PUBLIC RELATIONS



# HOW TO USE OPINION SURVEYS IN PUBLIC RELATIONS

BY DR. CLAUDE E. ROBINSON  
President, Opinion Research Corporation

## XIII

### R ESEARCH IS NOT AN END

in itself. It is of no practical value unless it inspires action, guides action, and assays the impact of action. Thus the researcher and public relations expert are collaborators working toward a common goal.

The pattern of collaboration between research and public relations is more and more taking this form:

#### Basic Public Opinion Analysis

A company or an industry has a problem. Frequently it becomes acutely aware of the problem only after it finds itself in hot water, though increasingly management is learning how to anticipate trouble and forestall it.

A careful study of public opinion defines the problem. It shows who are the friends and who are the opposition. It reflects the information

and misinformation people have, and demonstrates the relation between information and misinformation and attitudes. It identifies the urges and desires that motivate people. It indicates the positive and negative symbols to which people react.

Ordinarily, at the heart of any problem involving public psychology are one or two major ideas. These ideas are usually crucial to sound public relations strategy. If the public relations man knows them and builds his campaign around them, he gets results. If he is right on his fundamental strategy, he can be wrong on day-to-day tactics and still get results. If he is wrong on his fundamental strategy, however, even brilliant day-to-day tactics will fail to get results.

A good illustration of this principle of fundamental ideas is the unionization of foremen. Three years ago many companies found discontent among foremen, appearing as complaints about pay or status or allotted authority. Some foremen were thinking of unionizing. A comprehensive study by the Public Opinion Index for Industry showed that the basic urge of the foreman is to advance up the management ladder. He wants to identify with top management because he hopes to become a member of the top management fraternity. The key idea then in the handling of foremen is to do the things that show the foreman he really is part of management. Take him into the councils of management, tell him what is going on in the business and what is ahead, honor the men who come into the foremen's ranks and those that move on to higher positions. Companies find that there is no feeling of class conflict between the lower and higher echelons of command when all understand that they belong to the same management fraternity.

The first contribution of research to public relations then is to furnish a reliable photograph of public opinion which enables the public relations man to define his problem and map out the strategy of his campaign. With objective data in hand, the public relations man can then go to his superiors and get agreement on the course of action to be followed and secure the budget necessary to carry on the campaign.

The use of research to get executive agreement is of greatest importance. Businessmen are in the business of facing facts. If they don't face facts they won't be in business very long.

Heretofore much company discussion about public relations has come from impressionistic observations where one officer's impressions weigh as much in company councils as those of another officer. Research brings the intangible stuff that is public opinion down to earth, charts it, analyzes it by groups, shows how company welfare is helped or hurt. Even the most hard-boiled, unsentimental operating men face

up to their public relations problems when they can see them pinned down on the board.

### Pre-testing Public Relations Material

When a course of action has been determined for public relations, the next step is to prepare material for communication to a public. This material may be written, spoken, or visual. It may be a series of articles in the plant magazine, an employee handbook, an advertisement, a series of posters, an employee or community meeting, a chart presentation or a movie.

Public relations men can and do make good judgments on what will go across, but again, as in questionnaire phrasing, no one is smart enough to guess infallibly how the public will react to public relations copy or to other forms of presentation. What may appear to be a simplification of an annual report may actually make it more complex in the eyes of the reader. The symbolism chosen for a public relations document may represent perfect clarity to its creator, but be both uninteresting and unintelligible to the reader.

There is a large dollar-and-cents pay-off in being right about this phase of a public relations operation. Testing of advertisements, for example, has shown tremendous variation in effectiveness. Of two ads, each costing \$50,000 to place in leading magazines, one ad is shown to be five times as effective as the other. In this situation a plus value of \$200,000 can result from knowing how to arrest attention and communicate ideas.

Frequently employee reports are not opened, or if opened, are not read carefully. Pre-test research, working hand in hand with editing, can raise readership substantially.

Often themes and treatment of themes can be tested together. During the war, while still hard pressed to meet Army and Navy demands, manufacturers doubted if it were wise to say anything about their post-war planning. To settle the point, the Public Opinion Index for Industry prepared articles, presumably written by company presidents, set the articles in newsprint and asked people to read them. The favorable response was so overwhelming as to leave no question whatsoever as to the public's eagerness to hear about postwar plans. Also the test showed what types of stories were most believable.

The problem of pre-testing is a complicated one, and the techniques for pre-testing are still in their infancy. The signs, however, point clearly to a growing use of pre-testing. This new procedure promises to help avoid serious and costly errors in future programs.

### Auditing Public Relations Campaigns

When a campaign is undertaken to sell a product, the sales curve is the basic index of success or failure. When a company or a trade organization is trying to sell ideas or to substitute facts for misinformation in people's minds, the principal indices are furnished by sampling research.

The difficulty heretofore with most attempts to measure public relations impact is that the principals hoped for too much change in public opinion and were disappointed by the actual results. One would not expect to drop a pebble into a pool and see the water level rise three inches. Similarly, an ad or a news article or a booklet cannot be expected to transform opinion overnight.

Usually the public changes its views slowly and the engineering of this change is a long and hard job. Competition for the public's attention is fierce. For example, the issues management sees at the root of a strike may be fundamental and far reaching, but they may be a pain in the neck to the public in general, particularly when expounded in legalistic terms. Further, people can't remember the whole story at one sitting—the story requires repetition. On this point the success formula of the colored preacher is important: "First I tells 'em what I is gwine to tell 'em. Den I tells 'em. Den I tells 'em what I done told 'em."

The secret of public relations auditing is to arrange the measuring calibrations, not on the before and after theory with the expectation of sudden shifts in public opinion, but on the tracer theory where the photographic apparatus is set up to trace the penetration of ideas in relation to exposure to media. When this is done properly, it will be found that competent public relations does have a pay-off, does implant ideas, does dissipate ignorance, does change attitudes, does reduce the friction in human relationships.

One more point regarding the collaboration between research and public relations. This collaboration can be pictured as two rectangles laid end to end with one rectangle marked "Research," and the other "Public Relations." Where the rectangles join is a shaded area where the professional jurisdictions mingle and become indefinable. The competent research man is not just a gatherer of cases. He must have an active public relations imagination, must understand public relations problems and operations. When he analyzes his data he should point out their public relations implications. When submitting his findings he should talk over possible lines of strategy with the public relations man, and

communicate in every way possible his "feel" of the public opinion reality.

It is the function of the public relations man to formulate and implement the program.

### Measuring Employee Attitudes

More and more managements are studying employee attitudes by the questionnaire technique. In some cases, interviews are made in workers' homes. In others, groups of employees are brought together in an assembly room of the plant and are asked to express their views under guarantee of anonymity. These studies are extremely revealing, indicating what employees like and dislike about the company, its policies, and why. Analysis can be made department by department. In most cases, employee job satisfaction varies by departments, depending on such factors as supervision, pay, the nature of the work, social status. Employee questionnaires almost invariably have a therapeutic value if the company follows through and does something about complaints, or interprets to employees the facts of its operations.

### Appraising Community Opinion

Companies are increasingly working at the plant level to establish and maintain rapport in the plant community. As a basis for these programs, community surveys are undertaken which show how people appraise the various plants—their pay, working conditions, cooperativeness of management, and many other factors. The community survey is now highly developed and serves as an effective mirror by which companies can view themselves as others see them. Many companies are undertaking such surveys biannually as a check on their community relations thinking.

## PUBLIC OPINION MEASUREMENT METHODS

Every good craftsman must know intimately the medium with which he works. Carpenters must know wood; blacksmiths must know iron.

The medium with which public relations men work is public opinion made up of attitudes, convictions, beliefs and prejudices of individuals. The more management knows about public opinion, the greater are his chances for success in molding it.

There are two widely used methods for knowing public opinion. One is the method of impressionistic observation; the other is the objective method of opinion sampling.

### Impressionistic Observation

The impressionistic method of observation is employed by everybody. It consists of making day-by-day observations of what people think. A book or a newspaper article, what someone said over the radio, a cracker-barrel discussion, a resolution by the women's club, a story told by a friend, a customer's complaint—these are all sources of information for appraising public opinion by the impressionistic method.

Impressionistic observation of public opinion has great value. It provides a way to "size up a situation" quickly, with a minimum of toil. Frequently it inspires brilliant interpretation of the workings and the state of the mass mind. As with all techniques that require craftsmanship, the more skillful, more practiced observers are better able to appraise public opinion than the less skillful.

The method of impressionistic observation, however, has grave shortcomings. It is frequently erratic, producing grossly inaccurate pictures of public opinion. Impressions involve a large degree of subjectivity. When the observer is emotionally involved, he has trouble weighing his impressions correctly.

Political observers, for instance, have been known to judge voter favor with seemingly unerring accuracy for two or three elections, then go completely wrong on the next try. The last or the loudest voice is given more weight than it deserves, a hunch or a fear or an enthusiasm is overplayed, and the resulting appraisal is wide of the mark.

Another difficulty with the method of impressionistic observation is the problem of bringing all observers to agree on what is the fact. One vice president "observes" that the workers like the company. He "knows hundreds of them by their first name" and is sure that he understands what is in their minds and hearts. Another vice president believes the workers dislike the company. He has overheard some conversations on the street, and people have told him things.

When two impressionistic observers come up with different conclusions, as they often do, they have no way to reconcile their differences. And company action is frequently paralyzed as a result.

### Public Opinion Sampling

The second method of gauging public opinion is that of opinion sampling. Opinion sampling is less flexible than impressionistic observation. It involves much more labor. But it has a high content of objectivity. In place of opinion as to the facts, it provides actual facts. And the facts themselves can be checked. Like any other scientific process,

a sampling operation can be repeated under parallel conditions and produce substantially identical results.

### What To Ask?

Technical accuracy in sampling depends on the answers to three fundamental questions: What to ask? Whom to question? How many to question?

Of these, the first—what to ask—is usually the most critical for getting a usable result.

The tool of communication used in opinion sampling is the questionnaire. Questions designed to draw people out on a given subject are put down on paper. Then everybody in the sample is asked the same questions and the questionnaires are counted or tabulated in much the same way as ballots are counted in an election.

Communication can be achieved even on fairly complex issues, provided the respondents have some basis for forming an opinion and the questions are phrased to carry real meaning.

The first problem is, Do people have opinions? Little is gained by cataloging an individual's views unless those views have sufficient substance to influence his behavior. On the other hand, opinions do not need to be "informed" or enlightened to be valid for observation. People form opinions and act on them without knowing all the important facts. Actually, the misinformed bigot or zealot may account for more social action than the quiet philosopher who weighs all sides.

Also ignorance of economic facts may set in motion a whole train of events of great significance in the community. Research has shown that employees have a greatly exaggerated idea of the profits companies make. Workers think companies make 20 to 25 percent profit on sales, whereas the average manufacturing company makes about 4 percent over the years. This ignorance of the facts leads men to strike for higher pay and at the same time demand that prices be held down; it helps justify feather-bedding practices in worker thinking; it has numerous other social repercussions. One of the major functions of research is to map out the important areas of ignorance.

### Testing What People Know

Experience in research soon shows what types of areas can be profitably explored. As a rule people have the strongest convictions about things that come within the range of their daily experience. The lowliest worker may hold very definite views on the way a company treats its

workers, but have no opinion or only a very foggy one on legislation pending in Washington, or on how the Potsdam Agreement should be carried out.

Often the questionnaire will be set up to test knowledge and awareness of an issue before seeking opinions. For example, many Americans don't know what a "cooperative" is. A battery of filter questions will sort out first, those who are completely in the dark, second, those who know the term and can give an example, and lastly those who have had direct experience dealing with cooperatives. Each group can then be asked questions in line with its knowledge.

### Achieving a Meeting of Minds

The second problem in interrogating the public is to make sure that the questioner and the respondent are talking about the same thing. Words carry variable meanings and emotional connotations. The sense which the questioner has in mind may or may not be the sense in which the respondent answers.

Some years ago this writer once asked the question: "Is the electric utility in your community privately or publicly owned?" Many respondents in private ownership territory answered, "Publicly owned." Investigation showed that these respondents were replying "Publicly owned" in the sense that "the public owns the shares." The question was therefore rephrased to read, "Is the electric power company in this community owned and operated by the government?"

Since every word has some emotional content it is not possible to achieve absolute objectivity in question phrasing, but all honest research men strive constantly to avoid explosive words or those with marked power to sway the reply of the respondent. In practice, the effect of biased question phrasing depends on the depth of conviction. If opinion is well crystallized, the wording of an issue seldom makes much difference. But if opinion is vague and unformed, a change in wording may affect the result considerably.

On guard against bias, the researcher must be just as alert against ambiguity. Without thinking, a person might ask, "Which is larger, New York or Texas?" The question has three good answers: "New York," "Texas," and "Whaddaya mean, area or population?"

World War II polls sometimes inquired, "How long do you think the war will last?" Since some people figured their answers from the war's beginning, it was much better to ask, "How much *longer* do you think the war will last?" Again if a question reads, "Compared with before the war, do you think drinking is more or less of a problem?"

Some inevitably will reply, "Yes, drinking is always more or less of a problem."

These are simple pitfalls. When dealing with multiple choice or "cafeteria" questions, with personal and impersonal approaches, and with positives and negatives—especially when the issue itself is complex—the possibilities of ambiguity must be recognized and met.

#### Avoid Misinterpretation

Many times people have a definite view on an issue, but know nothing about the technical jargon in which the issue is discussed by professional observers. For instance, various Gallup Polls have shown that only 12 percent of the voting population can define the term "jurisdictional strike," only 19 percent can describe in general terms what the "Wagner Labor Act" is or does, only 48 percent show familiarity with the term "filibuster in Congress," and only 49 percent can tell what is meant by "balancing the Federal budget."

Yet the people do have views on basic issues symbolized by such terms and can discuss them when they are spelled out in every-man's language. Even Federal finances are discussable. Most voters hold definite views on whether the size of national debt is cause for concern, on whether taxes should be kept high or reduced, on what taxes should be reduced first. Often short on facts, the people are nevertheless long on common sense. The trick is to find a channel to their minds.

#### Means and Ends

Another difficulty the experienced researcher learns to handle is that of the means-end situation. People are ends-minded. They tend to approve uncritically a proposed means toward a good end if the end itself is strongly desired.

The American people, for instance, want more medical care and an easier way to pay for it. When they are asked if it would be a good idea to have social security provide payment for doctor and hospital care, the vote was 68 percent "Yes." The naive observer could jump to the conclusion that the public was demanding a government-managed plan for financing medical care.

But this conclusion would be wrong, for when the public was asked if a pay-in-advance plan offered by insurance companies through employers would be a good idea, 70 percent answered, "Yes." This second reply is not inconsistent with the first. The testimony simply means that people are looking to the desired end of easier payment for medical care. When people are pinned down with further questioning, only

31 percent maintain that extension of social security is the best *means* for achieving the *end* of easier payment for individual care.

The technical lesson here, of course, is this: When people strongly desire a given end, but are not very familiar with the alternate means for reaching the end, the interrogator who wishes to talk about means must make sure that the respondent is testifying about means.

In all questionnaire preparation the one sure guide is pilot testing. No researcher is smart enough to sit in his office and write perfect questionnaires. All good researchers write a preliminary questionnaire, then test it in the field to determine how well it serves to draw people out, then re-phrase and test again, until sure the questionnaire works. This kind of preparation and planning is indispensable to good research. Thousands of dollars are wasted and much misleading research is produced each year in the United States because of inadequate pre-testing and planning.

#### Whom To Ask

After the questionnaire or system of interrogation has been worked out, the next problem is whom to question. Every survey must define the public it seeks to study. The public may be all townspeople or people who work in factories, or high-school children, or people who own stocks, or housekeepers who have a refrigerator, or any other definable group.

The basic idea in sampling is that the individuals questioned will represent the larger public under study. If the people in the sample are substantially like the people in the larger public, the researcher is justified in drawing conclusions about the larger public from the evidence of his sample.

The *Literary Digest* poll went sour because it violated the principle of representativeness. The *Digest* used its election poll as a subscription-getting device, hence mailed its ballots to lists of people who had telephones or owned automobiles. People who owned things tended to be Republicans, people who didn't own things tended to be Democrats. Hence the *Digest*, by its method of selecting the sample, heavily weighted its return with Republican votes.

Research people use several methods to obtain representative samples. One method is that of geographical control. A town or county is carefully studied and interviewers are directed to take every *n*th house in blocks chosen at random, or every *n*th house on certain roads. If the occupants of the selected houses are not in, the interviewers are directed to call back until the interview is obtained.

Another method is to assign interviewers a definite number of interviews with persons of given characteristics, i.e., farmers, young people, men, storekeepers, in the proportions that they exist in the larger public. The controls—the statistics showing the make-up of the public to be sampled—are obtained from census figures, previous samples, and other sources.

#### Area vs. Quota Samples

Among the technicians, lively debates are held on the respective merits of area samples and quota samples. The public relations practitioner need not get himself wound up in the dialectics of the technicians. What he needs to know is this:

1. To reason from a sample to a larger public, it is necessary that the sample be a miniature edition of the larger public.
2. Distortion of results presupposes not only bias in the make-up of the sample, but also difference in attitudes of the represented groups. This is an important principle that even some technicians fail to understand. To illustrate from an election sample: Suppose women were voting 70 percent in favor of bonding the town to erect a new schoolhouse and men were voting 60 percent in favor. If men and women went to the polls in equal numbers, the total result would be 65 percent in favor of bonding the town. Suppose a pre-election sample were taken in the daytime, obtaining six out of ten interviews with women. The sample would be distorted from the desired 50 percent of women to an actual 60 percent of women, and the test would show 66 percent in favor of bonding or only a 1 percent error. Had men and women voted alike on the bonding issue, the sample could have been all women or all men—i.e., 100 percent distortion on sex—and no bias would have shown in the results of the pre-election sample.
3. The permissible error due to unrepresentativeness should be judged in terms of the problem at hand and the cost. The more precise the sampling controls, the greater the cost. The degree of precision needed can be determined only in terms of the specific problem. Few public relations problems require attitude measurement down to the gnat's eyelash, certainly not down to one percent. Some analysts like to carry their percentages to one decimal figure, but no one has yet been able to report any changes of policy that hung on the last tenth of a percent difference.

### How Many To Question

The third question is: How many cases must be gathered? Statistical formulas show what accuracy to expect from a sample of any size.

Let's say we have a random sample of 1,000 cases, representative of the public to be measured. Where 50 percent hold a certain opinion, chances are even that any error will be not more than one percentage point. Chances are very great—99 to 1—that any error will not exceed four points. If this degree of accuracy is enough, it is a waste of time and money to pile up more cases.

In a practical test in 1936, the Gallup Poll found 53 percent against reviving the NRA on the first 1,000 ballots. At 5,000 the figure was 55.4 percent. At 30,000 ballots it was 55.5 percent.

Beyond a certain point, a little more accuracy costs a great deal more money. But when it is valuable to know how opinion differs among sub-groups of a sample—as in sales analysis by territories, or industry-by-industry break-downs—then a large sample is indispensable.

Very revealing national public relations polls are made with 2,500 cases. Sometimes, when sub-group observations are required, national samples go to 10,000 cases or more. In polling a city, the number again varies depending on the problem at hand. Four or five hundred cases may suffice, or for detailed analysis the number may go to several thousand cases.

Almost any degree of accuracy can be purchased. The practical question is always: How may the greatest yield of usable information be obtained per dollar of research expenditure?

### CASE STUDIES IN PUBLIC RELATIONS RESEARCH

The pattern of collaboration between research and public relations, as outlined above, is becoming standard practice. A few cases will serve to illustrate.

#### Association of American Railroads

In 1940 the Association of American Railroads was engaged in an educational campaign which argued that government was giving assistance to bus, airline and barge canal competition, and that measures should be taken to equalize the competition between the railroads and other forms of transportation.

A research appraisal of this and other issues revealed that the public did not understand very well or give much thought to the argument of

unfair competition, but that 50 percent of the people believed that in the event of war the Federal government, as a matter of course, would need to take over and operate the railroads. "The government took over in the last war, didn't it?" was the way many reasoned.

The railroads thereupon directed their public information program to telling the story of their war service. They told the public what they were doing to speed the war machine, why equipment was scarce, and asked forbearance for the inconvenience to passengers.

The railroads, of course, did an extraordinary war job, hauling more freight and many more troops and passengers with less equipment than ever before. But they also wrote a public relations saga in interpreting an industry to the public. Four successive public relations audits showed widespread understanding of the railroad job and genuine public appreciation for the way it was being handled. Sentiment for government operation of railroads in wartime dropped from 50 percent in 1941 to 15 percent in 1944.

In every public relations equation, the formula for success is good deeds plus interpretation of these deeds. In the case of the railroads, superb performance in doing the job was coupled with superb public interpretation of the job. The result was a tremendous backlog of public good will.

#### The American Petroleum Institute

The petroleum industry in the United States has been one of the most progressive of all industries. It has maintained a great exploratory program for finding new oil sources. It has worked wonders in petroleum chemistry, spending hundreds of millions each year to develop better products. It has placed distribution outlets everywhere over the country so that a motorist can buy gasoline and oil at every crossroads. Intense competition and advancing technology, together with volume output, have kept the price of gasoline about where it was twenty years ago. The industry has paid its employees high wages and some companies have actually paid more in benefits—old age pensions, medical benefits to employees, etc.—than dividends to stockholders.

A nation-wide survey of the public's knowledge of, and attitude toward, the petroleum industry showed that substantial portions of the public had little or no appreciation of these contributions of the industry. Despite the fact that the industry is fiercely competitive, 48 million adults accepted the charge that companies get together and fix prices; 10 million thought that there were only 10 companies or less in the industry.

As a result of these findings the American Petroleum Institute has launched a nation-wide campaign to tell the public the facts about the industry. The Institute wants people to know the truth about oil research, about working conditions in the industry and, particularly, it wants the public to understand the true nature of competition within the industry.

In securing an objective appraisal of public opinion, the American Petroleum Institute was able to formulate an intelligent educational program and obtain executive action on it.

One may ask, "What difference does it make if people know or don't know the facts about industry?" The answer is, "A lot of difference." Industry must operate in light of realistic economic facts. It must also operate in a social milieu made up of public opinion. If the public is uninformed or misinformed, it may take positions that make it impossible for industry to get its work done efficiently and inexpensively. The social turmoil in America since V-J Day is a good example of what happens when a democratic people are misinformed about the economic facts of life.

#### San Antonio Transit Company

The very existence of a public utility often hangs on the esteem in which it is held among the local citizens.

How an able executive can use survey findings to build good will is illustrated by the wartime program put into effect by Laurence Wingerter of the San Antonio Transit Company. Finding his public critical of the inadequate number of buses in service, he explained in ads why buses were unobtainable, then repainted his best buses using a color scheme designed by Raymond Loewy. The 23 most ancient ones he labeled "Rip Van Winkle," "Old Man River," etc., with the result that people laughed—even let buses pass by so that they could ride to town in their favorite old-timer.

Responding to a demand for clean buses, the company doubled its cleaning force. Because riders complained that buses ran in bunches, the company set up a new schedule department, revised all schedules, and took steps to see how well they were maintained. Because people thought of the fare as 10 cents—the single ride rate—an advertising campaign promoted tokens and the five-cent pass with the aim of making San Antonio "nickel-pass conscious." To meet the demand for better bus information, 40 cheerful young ladies, dressed in bright uniforms, were stationed on downtown street corners to give out information and make change.

Criticisms of the bus drivers were met with a special training course and follow-up check, which reduced careless driving and improved courtesy. Other steps dealt with the "no smoking" problem, route signs on buses, and the design of body-conforming seats in cooperation with manufacturers.

The company had good reason to be jealous of its reputation. Its franchise was up for renewal.

### SURVEY COSTS

*How much do public relations surveys cost?* The answer to this question varies in terms of survey specifications. Depending on the problem, surveys cost from a few hundred dollars to several thousand. Budgets for city-wide or national surveys normally fall in the \$5,000 to \$25,000 range, with some studies going higher where great detail is required.

*Can a company afford to spend this kind of money for research?* The answer must be made in terms of what is at stake. A research budget must necessarily bear some relationship to what is spent on public relations, or the importance of the public's attitude to the company's welfare. If much public relations effort is being undertaken, then the question should be, "Can we afford not to undertake research to guide us in this program?"

When it comes to the chemistry or the physics or the mechanics of the product, no manager in his right senses would trust to impressionistic observations. Samples of raw materials are tested; metals are put through fatigue tests; engineering and laboratory data are gathered and decisions are based on these measurements.

In time, comparable engineering and laboratory data will be demanded for decisions on matters having to do with public opinion: marketing, styling, editing, public and industrial relations.

Previously, managerial thinking did not demand these guides because the research technology was not available. With the recent advances in technology, the trend is moving fast toward objective measurement. Whenever an operator can read a reliable gage, he has no cause to guess.

*Must an expert be employed to do opinion research, or can anyone run an opinion poll?* Opinion polling is like every other calling in the sense that the practitioner learns by doing. Experience shows that it takes three to five years of practice under expert tutelage to become competent in opinion research. The technique is rapidly advancing

and the field is already characterized by specialization. On matters of first-rank importance, therefore, it is probably correct to say that the least expensive way to do research is to obtain the services of an expert.

*Can't a small, informal poll yield guidance?* Yes, if properly used. Public relations men can learn a good deal about their audience by talking to people systematically. This does not mean casual conversations with one's mother-in-law, a taxi driver, and the boys at the club. Haphazard observation, as pointed out earlier, can seriously mislead. Some of the costly errors of public relations programs are caused by opinion polls conducted on an unscientific basis.

Careful preparation is essential. A few key questions designed to draw out ideas are worked out in advance. Then they are tested before any reliance is placed on them. The informal poller finds that some are duds, others release a flood of testimony.

The informal poller next takes his questions to his public. He talks with a street-car conductor, a day laborer, a milk-wagon driver, a housewife, and others in their proper proportions. After each interview, he needs to make notes on what he has heard. Then after twenty-five or fifty interviews, he should study his notes, make some tabulations, and analyze the patterns of thinking that begin to appear. Among professional research men, this is known as "piloting" a survey. It is through such pilot surveys that research men get their initial cues to public opinion. Conducting these pilot surveys requires imagination and real effort, but their pay-off in insight is very great for anyone who has the persistence to see them through.

#### READING GUIDES

Mostly the advanced lore of research is in the heads of the practitioners; the science has grown faster than the chronicles in print. But some good articles and books on the subject are available.

*A Guide to Public Opinion Polls*, by George Gallup, is an easy-reading introduction. Also available from the same author is a recent paper, "The Quintamensional Plan of Question Design." Write to the American Institute of Public Opinion, 110 East 42nd Street, New York City. This paper describes a master plan for questionnaire writing and represents one of the most significant contributions yet made to the field of polling.

Hadley Cantril's *Gaging Public Opinion*, provides an excellent discussion of research problems in polling techniques. Blankenship's *Consumer and Opinion Research* is a practical and informative guide.

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### Editors' Note

For years the greatest handicap to progress in developing practices and techniques in public relations work has been the widespread management impression that it is intangible. Management can measure the validity of a merchandising program by daily sales reports, but hard-headed businessmen find it difficult to appropriate money for and support a program which in their concept is largely theoretical.

Now a yardstick has been developed. While the soundest opinion researchers admit that the science is still in its formative stages, it has proceeded far enough so that we can measure public attitudes accurately and scientifically. Quite recently we have been discovering also how to measure the results of the programs we devise for creating public attitudes.

#### Survey Technique Available to All

All evidence tends to demonstrate that we have moved far enough in the development of this science to prove that not only should human attitudes be measured before a public relations program is devised, but also that periodic studies should be made to measure progress and prove the effectiveness of the techniques we are using. The larger corporations are going all the way in the use of this measurement tool. General Motors, General Foods, Procter & Gamble, Johns-Manville, General Mills and many trade associations are among the scores of big organizations which follow this precept religiously. Medium-sized and even small corporations have just as great need of this accurate guidance. Unfortunately almost all of them assume that small budgets and limited facilities prevent them from using the device. Sound public relations thinking would teach them how to adapt these procedures to their restricted requirements.

There are three basic methods of conducting opinion surveys: by mail, by telephone and by personal interview. The last named process is by far the most scientific and dependable, but also the most costly.

Regardless of the method used and the size of the appropriation, some expert guidance should be obtained in the formulation of questions and the choice of individuals to be questioned. Always, when the time comes to interpret the results of any public opinion survey, competent public relations advice should be at hand.

### Management Ignorance of Employee Thinking

No business organization today, regardless of its size or the nature of its service, can afford not to study public attitudes and use opinion surveys as the basis of planning. It's shocking to discover how large a section of business management is unaware of these verities.

A recent study by *Public Relations News* conducted among its readers, who certainly are more aware of public relations than the average executive, showed that only 7 percent of them have made any study to discover the extent to which their employees understand or misunderstand the truth about company income and who gets it.

More than 58 percent of those executives believe that fewer than 10 percent of their employees have "a reasonably accurate understanding of the firm's profits." Only 6 percent of the companies represented believe that more than 90 percent of their employees understand their profits. Only 13.5 percent of the companies believe that as many as half of their employees know the basic facts about company profits.

Perhaps more disturbing is the fact that of those companies that have taken the trouble to discover employee attitude towards profits, 21 percent have even now done absolutely nothing to dispel ignorance and 79 percent have made some effort ranging from effective to futile.

### Successful Employee Opinion Tests

Among the companies that are doing an intelligent job in this area is Thompson Products, Inc., Cleveland. Opinion surveys have been the background of all this company's employee relations programs. Employees are encouraged and urged to answer questionnaires anonymously saying frankly what they think of the company, its management and its supervisors.

One deviation from normal was initiated by President F. C. Crawford. He wrote personal letters to members of the "Old Guard," employees who have been on the payroll five years or more and have organized their own club. He asked them to answer frankly a long series of questions designed not only to reveal their attitude towards the company, but their thoughtful appraisal of its basic policies and procedures. Particular emphasis was put on the employee's appraisal of his immediate supervisor and of bosses further removed. The results of that survey had much to do with the intensification of Mr. Crawford's program for bringing young, educated and alert supervisors up to the management level.

Most managements have been timid about going directly to em-

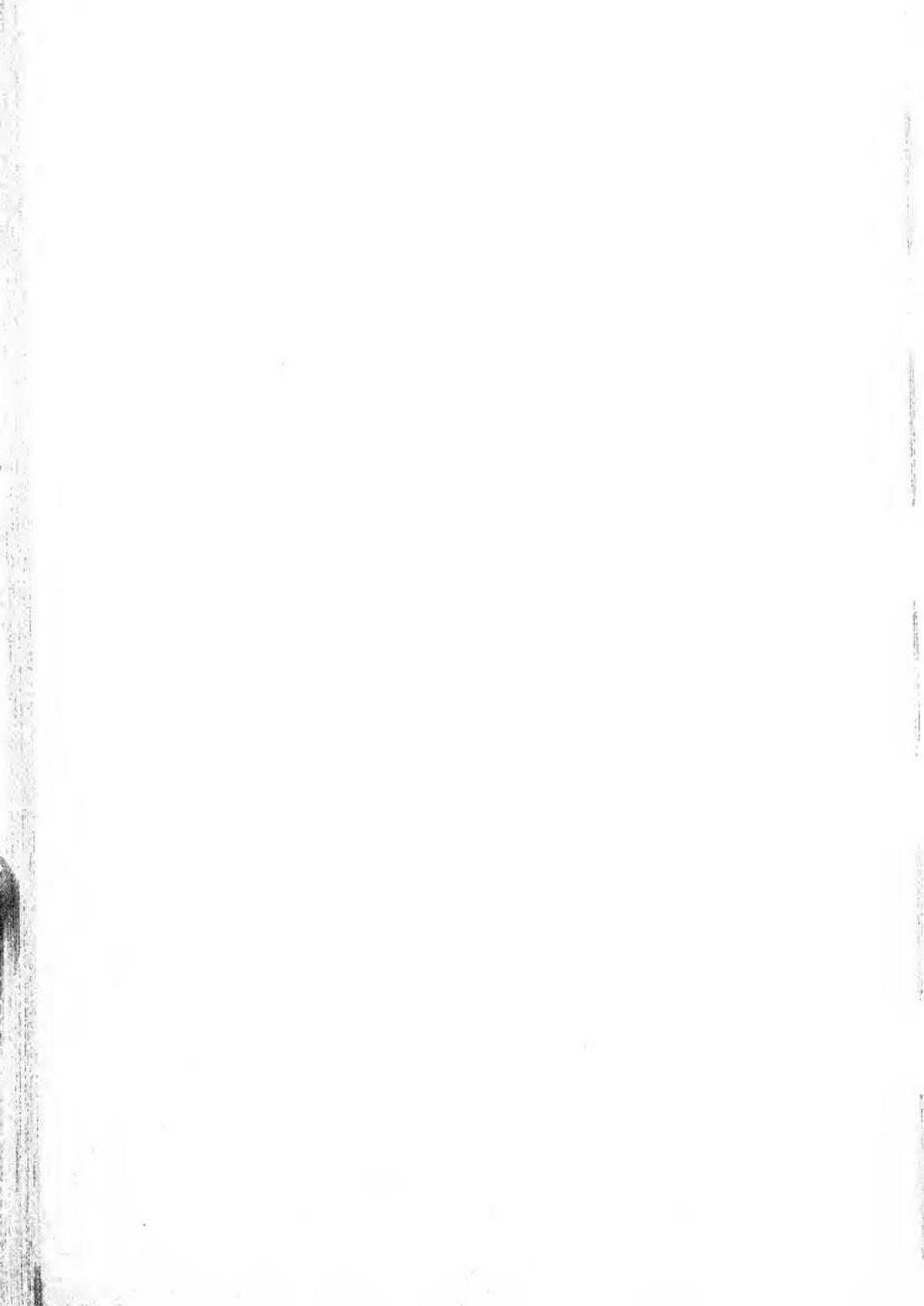
ployees with opinion tests on the assumption that the worker believed his replies could be identified and his opinions resented by management. One effective device now used by several companies, is to bring in experts from nearby universities or local and respected research organizations who explain the project to employees. They assure the worker that management never sees questionnaires which are returned directly to the research organization. The company gets only tabulated results.

### Study Opinion Trends

Management executives need to go further than conducting occasional opinion surveys among their own employees and other publics to equip them to perform their functions among the complexities of social and economic life today. They should follow the trend of public opinion and attitude as revealed in a wide variety of continuing studies. These include not only reports made by such public opinion survey agencies as Elmo Roper, Opinion Research Corporation, American Institute of Public Opinion and The Psychological Corporation, but those regularly released by the leading trade associations, publishing houses, agencies of government and colleges and universities. Other sources are advertising agencies, public relations firms, radio chains, and endowed institutions, such as Twentieth Century Fund, Mellon Institute and The Rockefeller Foundation.

Probably the best way to determine what public opinion survey agency to use is to consult with some acquaintance in one of the many companies mentioned in this chapter which have had long experience in the practice. Dependable guidance may be had from American Association for Public Opinion Research, the recently formed professional society, Room 4601, 30 Rockefeller Plaza, New York City. The leading firms in the opinion research field have developed a sense of public responsibility to a high degree. Any member of this association will be glad to make constructive suggestions regardless of the size of your appropriation or the proportions of your problem.

—G. G. and D. C.



*Part V*  
HOW TO REACH  
SPECIAL PUBLICS

emphasize the features of a well-balanced and intelligently planned program.

## CHARACTERISTICS OF MODERN SCHOOLS

Attempts to tell the public relations story through schools should be based upon a clear understanding of modern schools. Like every other vital institution of our time, schools are in the process of change. The public relations program that is geared to school practices which no longer exist is defeated from the start. Schools are changing because of new scientific insight into the learning process. In this age of jet propulsion and atomic energy, it is important for the public relations worker to note that already discarded by modern educators are such practices as (1) a handful of subjects for each pupil, (2) a single textbook for each subject, (3) rote drill for everyone regardless of interest or ability, (4) talking about things rather than doing them, and (5) the idea of punishments and rewards as motivating devices. Public relations plans built upon such outmoded practices will rightly earn the disdain of modern teachers.

### Learning by Doing

Five specific characteristics of modern schools should act as definite clues for the planning of effective programs. First of these is the *laboratory method of teaching*, which is based on the idea that students learn better by doing and researching than by rote memorization of a set of rules and principles. First exploited in the natural sciences, the method has been extended to languages, the social studies and other subjects where maps, booklets, globes, charts, posters, and reference material are available for pupil use in solving problems. Schools, therefore, welcome supplementary materials which enrich the learning process.

In the preparation of these materials lies an opportunity to tell the public relations story. To enliven instruction the modern teacher readily accepts supplementary materials that are offered free of charge or at small expense. He is hospitable to commercial materials of potential educational value which describe processes and economic trends. The desired materials usually are not in textbooks since limitations of space prevent any single textbook from providing elaboration of all the specific topics that any teacher or class might need. Some of these materials may be found in encyclopedias, newspapers, and magazines, some in government publications, and many the teacher gets from commercial sources.

### Serving Individual Needs of Students

A second characteristic of modern schools is *the adaptation of the teaching program to individual needs and interests*. The old-time curriculum of four or five subjects taught the same way to all pupils is giving way to an individualized one that includes a variety of subjects, among them guidance, shops, crafts, art, music and health. Creative interests and abilities are fostered in clubs and class activities that are myriad in scope. Learning experiences in American schools are on the increase; their endless variety makes it possible for almost any business organization to find some activity to which it can closely relate its public relations story.

### Teaching at the Local Level

A third characteristic of modern schools which has significance for the public relations worker is the growing emphasis on *teaching young people to become better aware of the developing social and economic scene*, particularly on a regional or community basis. Educators are becoming conscious of their responsibility to aid young people to understand the culture and characteristics of the community in which they live—that they may more readily adjust themselves to the environment, in which they are to earn their livelihood and to exercise their citizenship. For example, the New Haven Railroad has prepared for the use of secondary schools in the territory which it serves five booklets entitled "The New England Region and Its Resources," "The Role of Agriculture in New England Life," "The New England People and Their Heritage," "The Role of Industry in New England Life," and "The Role of Trade and Transportation in New England Life." These booklets, readily welcomed by schools, furthered the railroad's public relations policy by providing understanding among teachers and pupils of the peculiar problems which affect railroad operation in a territory like Southern New England. Modern schools will accept properly prepared material on almost all conceivable phases of economic life with which current education is attempting to acquaint youth.

### Using Modern Teaching Aids

A fourth characteristic of modern schools is *the utilization of modern teaching aids*. The teacher's voice, the blackboard, and the single textbook no longer suffice in the developing school program. Motion pictures, slide films, recordings, radio programs, audio devices such as the wire recorder, booklets, charts, graphs, samples, exhibits, models,

pictures, synthetic training devices, and excursions to industrial and commercial establishments supplement these conventional educational tools.

Educators welcome well-prepared materials of this nature to unify school work with actual life, to enrich the student's background of experience, to arouse or stimulate interests, to furnish a basis for discussion and further research, and to provide actual source materials for study. Schools are using such materials produced by industrial and commercial organizations in increasing quantity, although these vary greatly in their attractiveness and their real value to education. Many are rejected, however, because they are (1) shoddy in appearance, (2) obvious advertising, (3) unrelated to school needs and (4) above the comprehension of students. Many give evidence of having been prepared by technical specialists with little acquaintance of the needs of schools or the limitations of students. Over-condensation, distortion of information, and pictorial omission of elements implied or mentioned in titles are three basic faults of many supplementary materials.

#### New Incentives for Study

The fifth characteristic of modern schools is the *elimination of punishment and rewards as motivation for learning*. Research has proved that interest in work and the adaptation of tasks and materials to student capacities are more valid prods to learning than are either punishment or rewards. As a result, educators do not look today with the same favor on the receipt from commercial or business organizations of gratuities in the form of plaques, medals, books, calendars, blotters, pencils, etc. to be distributed by the teacher to prize students. For the same reason, some schools look with disfavor on competitive essay contests.

#### CRITERIA FOR PUBLIC RELATIONS THROUGH THE SCHOOLS

The United States Chamber of Commerce in a recent study has shown the direct relation between good education and good business. What hurts one hurts the other. What benefits one benefits both. In communities where the level of education is high, the standard of living and, therefore, the demand for goods and services provided by business are also high. It is to the advantage then of the manufacturer, distributor, institute or trade association which attempts to tell the public relations story through schools to adopt a long range point of view in the prep-

aration of materials for use in the schools. Through these materials industry and business can help raise the level of education by giving accurate, unbiased information and by so doing benefit themselves.

Whatever the motives are that actuate business to tell the public relations story through schools there is an inherent obligation *not to use the schools to promote selfish interests*. This is not to say that the primary purpose of a public relations story interpreted through materials offered to schools is exclusively an altruistic one. After all, there is no reason why the popularization of a firm or brand name is not permissible.

A prime purpose of supplementary educational materials produced under commercial auspices may be to develop among teachers and students a consciousness of need of a particular product or service and the development of desires that may be satisfied at a later time. This is the admitted purpose of many public relations programs, particularly of trade associations or "institutes." They render an educative service in extending worthy information about meats, milk, fruit, plastics, or household conveniences. Naturally they do not mention other products that may give the same values less expensively. Informed teachers usually correct such overemphasis, however.

#### Yardstick for Evaluating Material

The one educational organization which has done most to make industry and business aware of their obligations to education is the National Association of Secondary School Principals, which has set up a Consumer Education Study. This Study has published a report entitled "Commercial Supplementary Teaching Materials,"\* 1946, which proposes standards for the preparation and use of public relations materials offered to schools as instructional aids, in addition to "Specifications for Commercial Supplementary Teaching Materials for Science: Pre-College Level," 1946.

Several attempts have been made to develop criteria for the use by schools of materials prepared by commercial and industrial firms, trade organizations, and institutes. The American Home Economics Association published in 1940 a report of a committee composed of experts in the teaching field and interested manufacturers. The report contained a check list for application to home economics materials. The United States Office of Education in the same year suggested a series of standards to be applied to commercial materials for schools. All four

\*For copies, address Consumer Education Study, National Association of Secondary School Principals, 1201 16th St., NW., Washington, D. C.

studies should serve as useful guides for telling the public relations story through schools.

### Apply These Tests

Two criteria, now generally accepted, are these:

*The public relations story must contribute positively and effectively to the educational program of the schools. Materials must relate definitely to the approved curriculum. This requires the public relations worker to know what schools are currently doing and to shape his story to acceptable school practices. He succeeds best when the materials offered not only make a real contribution to education but engender good will and, in the long run, promote sales of his product or service.*

*The public relations story must not contain direct promotion of sales. The name of the sponsoring organization should appear but not with such repetition or emphasis as to subordinate the educational content. Educational authorities agree that the name should appear not only as fair recognition of the contribution of materials but also as definite assignment of responsibility for the contents.*

No justification would appear to exist for usurping the time of teachers and students that is prescribed for education in order to further the selfish interests, financial or otherwise, of any sponsoring organization. If the advertising is reasonable in amount, unobjectionable in taste, not misleading, fair to competing products or services, and especially if there is small probability of its influencing purchases at the time of use, no objections to its inclusion are likely to be raised by schools. Excessive advertising, however, will preclude its use.

### Common Errors to Avoid

Factors which tend to limit the use by schools of supplementary materials are these:

*Objectionable advertising or sales promotion.* One company prepared an elaborate exhibit of materials at a cost of \$3.50 per unit only to find that the kit was declared objectionable by state school authorities because of the excessive amount of advertising.

*Physical specifications* which make the material difficult to store, catalog, exhibit, distribute, or use. Teachers make maximum use of materials when these may be economically filed to insure both availability and durability. Booklets too small and posters too large are common criticisms offered by teachers. Besides the principles of good design which must be followed for effective printed material, special prin-

ciples of format also govern effectiveness for school use. Size of type, spacing, use of captions, use of color, pictorial illustrations and quality of paper are important considerations for printed classroom materials. All must be geared to the level of maturity of the student.

*Inaccurate, misleading, or distorted information.* Schools have a right to expect accuracy in materials offered to them, especially with reference to economic facts.

*Inappropriate content,* unrelated to the current curriculum or presented in a way that is not conducive to learning. Chief fault of much printed material is the difficulty of the vocabulary, brought about by over-condensation of ideas. For the elementary school a good standard for charts is "one chart, one idea, one clear concept."

*Wrong approach to schools.* As a general rule, direct approach to teachers in public schools without administrative sanction is fatal to a public relations program. Efforts must be made to interpret the program, its purpose and its scope, to both administrators and teachers *before* any effective distribution of materials is attempted.

*Poor servicing.* Chiefly the unavailability of materials when requested. Most schools have courses of study which prescribe different phases for different times of the school year. Supplementary materials to be maximally useful must be available to schools when teachers are in a position to use them.

## TEN OPPORTUNITIES FOR PREPARING MATERIALS

Much evidence exists to attest to the willingness of schools to use educational materials prepared for them by commercial agencies exclusive of textbook publishers and school suppliers. Public relations departments would do well to acquaint themselves with the following sources of information:

*Teaching Aids for the Asking*—Homer J. Smith

*Free Supplementary Materials of Value in Teaching High School Chemistry*—W. E. Hauswold

*Enriched Teaching Series*—Maxie N. Woodring

*Free and Inexpensive Learning Materials*—Lucile Denham

*Elementary Teachers' Guide to Free Curriculum Materials*—Fowlkes and Morgan

*Educators' Index of Free Materials*—John Guy Fowlkes

*Vertical File Service Catalog*—H. W. Wilson Co.

*Free & Inexpensive Learning Materials*—Peabody College

*Booklist*—American Library Association

*Educators' Guide to Free Films*—Horkheimer & Difford

Specific opportunities for preparing materials acceptable to schools follow:

*To Supplement Information in Textbooks.* Teachers generally favor a multiple rather than a single text approach to learning, believing that this plan helps to meet the varying reading abilities of students, thus making for better understanding. Multiple texts provide for enrichment of the program, stimulate thinking by presenting several viewpoints, and lead to greater interest on the part of students. With the phenomenal and continuing increase in the body of knowledge, especially in economic and scientific fields, teachers rely more and more on good supplementary materials to fill out the detail which textbooks cannot adequately provide. Materials offered by commercial agencies are thus of genuine value in the teaching process. They should not be prepared, however, until an effective study of textbook content is made, and then only to supplement rather than to compete with textbook materials. For instance, the Institute of Life Insurance Underwriters offers schools through local agents a *Handbook of Life Insurance*.

*To Provide Accurate Sensory Experience.* Learning, especially via the scientific method, depends upon the student's ability to observe accurately. Generally no visual aid surpasses the observation of the actual object. Teachers welcome, therefore, opportunities for groups of students to observe actual industrial processes first-hand. In lieu of this, exhibits of actual materials suffice. Well-prepared charts, exhibits, models, motion pictures, slide films, and pictures offer visual substitutes for actual observation. The Standard Oil Company, for example, offers to teachers in 14 Midwestern states sample bottles of petroleum products. The United States Gypsum Company provides an exhibit that includes samples of cement plaster, quick lime, gypsum rock and hydrated lime.

*To Stimulate Learning.* A good classroom environment is one which arouses student curiosity and stimulates learning. Pictures and charts displayed in the classroom help to provide this environment. Variety is essential, and frequent changes are necessary to keep the atmosphere stimulating. The science poster series issued regularly by the Westinghouse Electric Corporation is typical of the kinds of stimulating material which commercial agencies can offer. The Royal Typewriter Company offers a posture chart to schools showing the correct typing posture. The United States Beet Sugar Association provides teachers with a large wall chart on sugar from seed to table.

*To Offer Current Factual Information.* Industrial research and development is constantly contributing new knowledge which teachers

and students need to know. The public relations story can help to keep the classroom abreast of new developments. The New Haven Railroad supplies secondary school teachers in its territory with a monthly news bulletin called "Current New England," which gives the schools up-to-date information on these phases of regional life: history, industry, education, recreation, agriculture and transportation. G. & C. Merriam Company publishes regularly *Word Study*, a bulletin devoted to current word usage. These bulletins are equally valuable whether one uses a dictionary published by this firm or by some other company.

*To Analyze Objects and Processes.* Instruction, especially in science, involves the description and the analysis of many objects and processes. On occasion this analysis may be by direct experience. More often it is by charts, diagrams, models, and exhibits of the types available from industrial and commercial organizations. Examples are models showing construction of the types of thermostats and thermometers which are standard equipment on home heating devices, a model showing construction of a pressure cooker, or the cross-section model of a thermos bottle. The Hershey Chocolate Company offers schools an educational wall chart that visualizes the sources and manufacturing processes of chocolate, while the Elgin Watch Company offers "The Box of Wonders," a 12-page description of the mechanism of a watch.

*To Provide First-Hand Experience.* The production, distribution, and consumption of goods in enterprises accessible to the schools offer the public relations worker an opportunity to plan excursions for students. For example, more than 75 railroads regularly conduct student tours of railroad terminals and facilities. A preliminary trip of exploration and arrangement by the teacher is vital to the success of any excursion. Talks, booklets and tour diagrams should be on the maturity level of the groups handled.

*To Develop the Special Interests of Students.* Scholarships, fellowships and assistant-ships for collegiate levels, and contests of various types for secondary schools under the sponsorship of commercial agencies serve to develop the special interests of students, and to engender good will for the sponsor. Westinghouse Electric Corporation sponsors annually a series of scholarships for secondary school youth talented in science, while General Electric Company each year provides a series of fellowships for high-school teachers of science. The fellowship covers tuition fees, maintenance at college, and traveling expenses for a period of six weeks. The program seeks to enlarge the teacher's grasp of new developments in the physical sciences rather than to have immediate influence upon pedagogical methods.

The National Association of Secondary School Principals annually approves national contests which in its opinion have sufficient educational values for students to outweigh the direct or implied commercial aspects. Of the many contests that seek participation of schools, only 23 were approved for the 1946-47 school year. This organization does not concern itself with scholarships offered by colleges and universities for which the respective institutions determine the recipients through qualifying examinations. However, it does object to any plan to select students if the writing of an essay is required as part of the qualifying procedure.

*To Provide Background Information for Teachers.* Research is continually contributing new information which the alert teacher will want to incorporate into the curriculum. It is one of the tasks of the public relations program to fulfill this need. Materials may be offered to teachers in two forms: (1) informative bulletins and (2) teaching guides. The first provides teachers with new facts on developing situations. The National Association of Manufacturers, (14 West 49th Street, New York City 20) believing that economic readjustments call for clear thinking by teachers, offers a monthly bulletin entitled "Trends in Education-Industry Cooperation." This bulletin is widely read by educators and by businessmen interested in the educational field. Teachers report that they value its information about business news and viewpoints for classroom use, reference reading, and bulletin-board display, as well as its review of new teaching aids published by the NAM.

Teaching guides are useful in acquainting instructors with the overall plan of specific supplementary materials. Procter and Gamble gives teachers a 32-page teaching guide to accompany its educational sound film "Scrub Game." The guide explains objectives, concepts and generalizations, and procedures for making effective use of the film. Pequot Mills offers instructors *Teacher's Textbook of Sheets and Pillowcases*.

*To Supplement Extra-Curricular Activities.* Modern schools conduct many extra-class activities of academic, social, and special interest types to give students opportunities for a more abundant and well-rounded education in personal living. These extra-curricular activities have been utilized by many business organizations as effective media for telling the public relations story. Printed programs for dramatic productions and athletic events are frequently given to schools by commercial agencies either free or at small expense. The name and insignia of the contributors are customarily imprinted on these materials.

Bristol-Myers offers schools "As Others See You," a leaflet on good

grooming for girls. A department store in Providence, R. I., has established a junior fashions board made up of representatives of high schools in its territory to choose fashions likely to appeal to a teenage group of potential customers.

*To Fulfill Unmet Educational Needs.* Opportunities to tell the public relations story through schools are not limited by past practices. As schools change, new opportunities to offer supplementary materials develop in fulfillment of unmet needs. The New Haven Railroad in response to a request from teachers in its territory developed a classroom unit entitled "How to Read a Railroad Timetable." General Electric Company produced "A Primer of Electronics," a simple introduction to the electron and the principles which govern its use, when science teachers indicated a desire for such an informative booklet.

### SUGGESTIONS FOR TELLING THE PUBLIC RELATIONS STORY

The task of the classroom teacher is to relate instructional materials to the interests and abilities of students and to stimulate and direct their responses toward the development of worthy habits and skills. The public relations story to be successful must achieve similar ends. The Consumer Education Study of the National Educational Association says that the content, to be effective, must be:

1. *Timely*, contributing information too recent to be included in available textbooks
2. *Sound* in terms of the program it proposes to enrich or supplement
3. *Accurate* in facts, without distortion or exaggeration
4. *Adapted* to the needs, the interests, and the maturity level of students
5. *Truthful*, in that it does not suppress important relevant information
6. *Responsible*, in that the sponsor definitely stands behind statements made.

The extent to which desired educational results can be obtained through the public relations program depends upon the methods and techniques used in preparation. Technical experts in the industrial and commercial field need the advice and assistance of practicing educators to make sure that the materials have teaching and learning values. Many firms employ curriculum consultants to help them in planning and preparing educational materials. Unless the supplementary material is well-

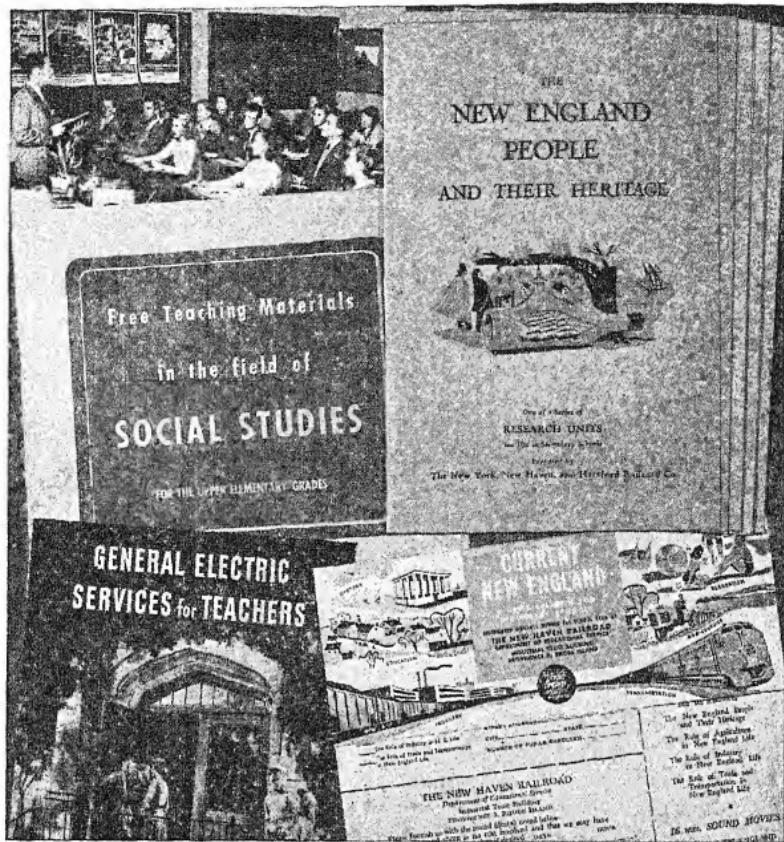
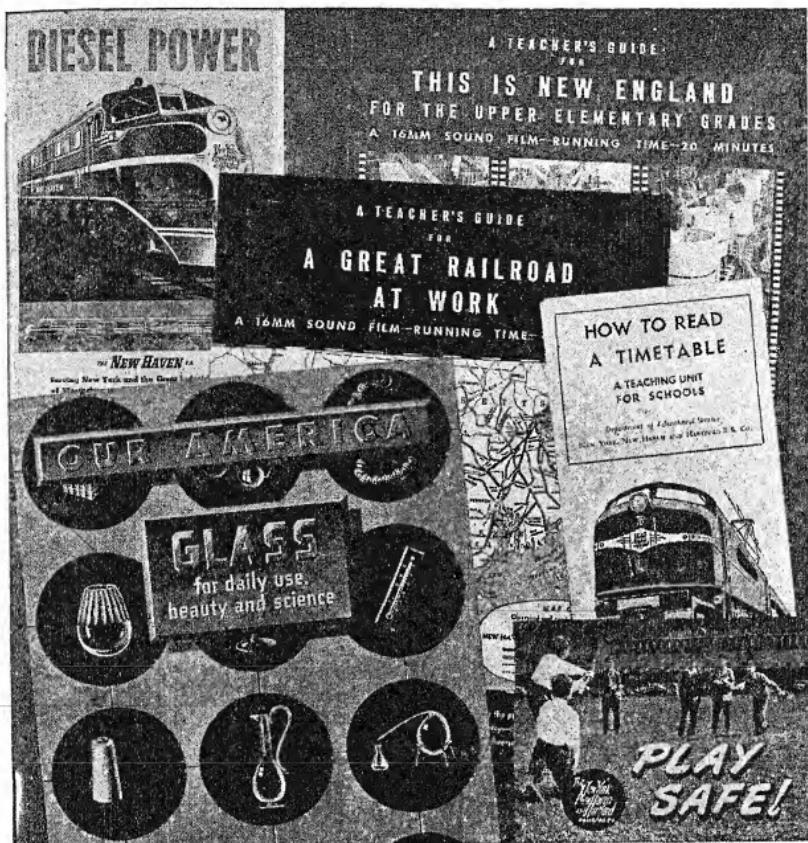


FIGURE 12.—NO ONE HAS MORE TO GAIN FROM INTELLIGENT ASSISTANCE TO THE STUDENTS IN OUR SCHOOLS THAN THE INDUSTRIES THAT WILL SOON EMPLOY THEM. TEACHING AIDS LIKE THOSE PICTURED ABOVE, FURNISHED BY AMERICAN INDUSTRY, ARE RECEIVING A WARM WELCOME FROM TEACHERS EVERYWHERE.

1. CLASSROOM SCENE FROM "BOULEVARDS OF STEEL," A NEW HAVEN RAILROAD SLIDE FILM FOR SECONDARY SCHOOLS.
2. THIS CATALOG LISTS ALL ITEMS OFFERED BY THE RAILROAD TO SCHOOLS IN THE TERRITORY THROUGH WHICH IT OPERATES. ALL ARE FREE.
3. A SET OF FIVE RESEARCH UNITS ON NEW ENGLAND LIFE AND PROBLEMS, ENTIRELY NON-COMMERCIAL IN CHARACTER, OFFERS NEW ENGLAND SCHOOLS TEACHING MATERIAL CONCERNING THEIR TERRITORY WHICH IS NOT AVAILABLE FROM SCHOOL PUBLISHERS.
4. THE GENERAL ELECTRIC COMPANY LISTS SERVICES FOR TEACHERS IN THIS MODEST BUT EFFECTIVE CATALOG.
5. "CUR-



RENT NEW ENGLAND," PUBLISHED BY THE NEW HAVEN RAILROAD, IS A MONTHLY BULLETIN FOR SECONDARY SCHOOL TEACHERS THAT IS MAILED UPON REQUEST AND IS RAPIDLY BECOMING A MUST AMONG NEW ENGLAND TEACHERS. 6. "DIESEL POWER," ONE OF A SERIES OF SEVEN SCHOOLROOM POSTERS ON TRANSPORTATION. 7. TWO TEACHING GUIDES, ONE FOR A MOTION PICTURE, THE OTHER FOR A SLIDE FILM. SUCH A GUIDE IS PREPARED FOR EACH TEACHING AID OFFERED BY THE NEW HAVEN. 8. AN ATTRACTIVE BOOKLET ON THE STORY OF GLASS, DEVOID OF COMMERCIALISM, PREPARED FOR STUDENTS BY THE COCA-COLA COMPANY. 9. WELCOME ADJUNCT TO THE NEW HAVEN'S LIST OF FREE TEACHING MATERIALS IS "HOW TO READ A TIMETABLE." 10. A SMALL BUT COLORFUL BOOKLET GIVEN TO STUDENTS BY THE RAILROAD'S POLICE DEPARTMENT OFFICERS FOLLOWING SHOWINGS OF THEIR SLIDE FILM, "PLAY SAFE."

organized for classroom purposes, either logically as regards subject matter or psychologically in terms of effective teaching and learning, it may be rejected completely or used only occasionally by schools.

### Gaging the Proper Intelligence Level

Educational materials, above all, should be understandable to students in the following ways.

*In ideas.* Concepts which are easy for specialists are not always readily grasped by teachers or students. Every idea likely to prove difficult should be fully explained, usually with examples or illustrations within the grasp of immature readers. Explanations should occur in the body of the text at the time the concept is introduced.

*In interest.* Ideas must be kept pretty close to the normal interests of students. The public relations worker must be aware of the normal experiences of youth in order to provide materials that will prove interesting. This much is sure: the rate and amount of learning is definitely determined by the extent of student interest in the materials.

*In vocabulary.* A large proportion of the rejections of materials supplied to schools is caused by a heavy vocabulary burden chiefly of technical words. These should always be explained by context, by definition, or by illustrations.

*In style,* simplicity and clear sequence of ideas are essential. Paragraphs should seldom run over 150 words and should be introduced by topic sentences. Concrete details and short sentences are helpful. Numerous verbal illustrations, quoted conversations, and reasonable variety in sentences appeal to youthful readers. Obvious writing down to students should be avoided.

*In illustrations.* Illustrations of every kind are desirable but each should be accompanied in caption or text by sufficient explanation to insure understanding.

### SPECIFICATIONS FOR PREPARING SUPPLEMENTARY MATERIALS

A few school systems have rules which prohibit the use of supplementary teaching materials produced by commercial organizations, but in most instances educators are willing to accept for classroom use materials which have an educational value. The 1945 edition of the "Elementary Teacher's Guide to Free Curriculum Materials" listed as many as 1,922 different items available without cost from governmental,

commercial and industrial organizations. To be included in this list, apply to Educators' Progress Service, Randolph, Wisconsin.

A report by the National Science Teachers' Association says "many commercially prepared materials are ill adapted for use in the elementary school because too much content is presented in a single aid, or because the vocabulary is too difficult. For the elementary school, two charts, each portraying one idea, are more effective as a teaching aid than one chart containing two ideas. It would be desirable for all manufacturers to have their charts, booklets, and bulletins prepared with the help of an expert in reading, and to plan some of these for specifically each year of the elementary school." The Association recommends the following:

1. *Physical specifications for booklets.*
  - a. Size—these general sizes are recommended:  $8\frac{1}{2} \times 11$ ;  $6 \times 9$ ;  $5\frac{1}{2} \times 8\frac{1}{2}$ ;  $3\frac{1}{2} \times 8\frac{1}{2}$ ;  $3 \times 5$ .
  - b. Imprint—all types should have a title descriptive of the content, the date of issue should be clearly indicated, and the sponsoring organization listed.
  - c. Vocabulary—size of type, vocabulary difficulty, length of line and spacing between lines should meet accepted standards for respective grade levels. The Buckingham, Dolch, Gates, Horn, Rinsland, and Thorndike word lists should be consulted to determine grade placement. Lists are available at libraries and book stores.
  - d. Paper—enamel paper should be avoided if it causes glare and eyestrain. Covers should be durable paper, saddle-stitched to permit the booklet to be opened flat.
  - e. Illustrations—photographs, drawings, and diagrams are desirable if they are instructive and not merely decorative.
2. *Physical specifications for charts.*
  - a. Two kinds needed—(1) those which stress one major idea in sufficient size to be readily visible to an entire class; (2) those which use small type to present considerable detail suitable for the bulletin board.
  - b. Size for teaching charts— $18 \times 24$ .
  - c. Material—preferably of washable cloth or heavy paper. Flimsy paper charts are useful but are relatively short-lived.
  - d. Print—elements should be large enough to be visible at a distance of 25 feet. To be read throughout the classroom the type should be at least 72 point in size; 84 point or 96 point is recommended. Art work should be simple.

3. *Physical specifications for pictures.*
  - a. Size—these general sizes are recommended: 12 x 18, 8½ x 11, 6 x 9.
  - b. Captions—subheads and captions should be determined by uses to be made of the picture. The main caption should not be over one line, presented in large bold type.
  - c. Color—realistic color is desirable in pictures designed for educational use. Black and white is preferable to poor color reproduction. Glossy surface should be avoided to prevent glare.

### SERVICING SCHOOLS

Unless the school administrator and his teaching staff are convinced of the educational value of the public relations story and the absence of direct sales promotion, there is little likelihood of full cooperation on the part of school personnel. Thus there falls on the public relations worker the task of interpreting the program to the schools before complete acceptance can be anticipated.

It is important to note that initial contacts should be with administrators rather than with teachers since administrative sanction is usually necessary before commercial materials may be used. Providence, Rhode Island, has committees of teachers study supplementary aids before their classroom use is permitted.

The National Association of Manufacturers uses the following type of letter to acquaint administrators with its materials at the same time that an initial mailing of a prospectus is sent to teachers:

Dear Superintendent:\*

Challenging complexities of this period of economic readjustment call for clear thinking and wise guidance by the teacher to prepare the student for problems he will face when his school days are over. To assist the teacher of those subjects which deal with our economic and social structure, the National Association of Manufacturers presents its new edition of the "Bibliography of Economic and Social Study Material."

New types of offerings are made in this edition. For teachers interested in radio for classroom instruction, a radio drama is adaptable either for class or school assembly use. A monthly publication to keep the teacher currently informed of new developments in industry-education cooperation and of new materials available between Bibliographies is also of-

\*EDITORS' NOTE: Addressing by individual name would be more effective.

ferred. Booklets and motion pictures, which bear on vocational guidance, economics and industrial relations, have been carefully chosen to supplement textbook information on our economic system.

This Bibliography has been mailed to all teachers of whom we have record. However, there may be teachers under your supervision who are not on our mailing list. If you care to send us their names and addresses, we will be glad to check them against our mailing list and to send the Bibliography to those who have not received it.

Single copies of any booklets will be sent to your high school libraries upon request. They are available without charge and will be mailed postage prepaid.

Selection of Bibliography material for your own use may be indicated in the blank space provided on the enclosed order cards, the use of which will speed our handling of your request.

### How To Reach the Teacher

The following opportunities permit the public relations worker to contact teachers to interpret his materials and to offer them for classroom use:

1. Sample mailings
2. Direct visits to schools
3. Listing in directories which publicize free curriculum materials
4. Advertising in educational publications
5. Exhibits at national, regional, and local educational meetings
6. Contacts with teacher-training institutions—especially summer sessions
7. Publishing a bibliography of available offerings.

Every effort should be made to explain clearly and exactly just what is offered and under what conditions materials are made available. Ease of obtaining instructional aids is an excellent inducement to teachers to seek them. Materials, especially motion pictures and slide films, should be sent to teachers when they are wanted. Scheduling difficulties frequently do the public relations program more harm than good, since much good will is lost through failure to observe promised showing dates. Delivery charges should be prepaid, although nominal charges may be set if the teachers are made fully aware of such charges before materials are ordered. Many industrial and commercial firms which offer materials in quantity use mailing agencies to facilitate the distribution of their instructional aids. The reviews *School Management*, *Social Education* and other educational magazines publish monthly lists of free materials offered by commercial, industrial, and governmental organizations.

Methods of following up vary. Questionnaires, interviews, reports on school use of materials, and requests for suggestions from teachers in improving service are several devices now satisfactorily in use. Other means of determining acceptance and use should be developed periodically as part of the public relations program. Because student needs and interest change from time to time, the program should include periodic checks to determine shifts in attitudes toward the use of supplementary materials.

### TRAINING PUBLIC RELATIONS PERSONNEL FOR WORK WITH SCHOOLS

There is no substitute for experience. The public relations worker with a background of educational experience is in a better position to produce and to interpret a program to schools than one who lacks acquaintance with the peculiar practices associated with educational institutions. In lieu of practical teaching experience, however, the public relations worker should acquaint himself with modern schools by such means as attendance at national, regional and local conferences of schools administrators and teachers. In addition, he might read such basic books as *An Overview of Elementary Education* by Baxter and Bradley, D. C. Heath & Co., 1945; *Education in the Elementary School* by Hollis L. Caswell, American Book Company, 1942; and *The American Secondary School* by Leonard Koos, Ginn & Co. All three contain bibliographies for various phases of the total school program in which the public relations worker might be particularly interested.

### CHECK LIST

1. Has the total program in its relations to schools been carefully worked out?
2. Does it offer a positive contribution to the educational program of the schools affected?
3. Do the materials fit the curriculum or current program of studies?
4. Do the materials tell the public relations story effectively?
5. Are the materials devoid of objectionable propaganda or direct sales promotion?
6. Are the physical specifications right?
7. Is the content appropriate to the school level that is intended?
8. Is the material timely?

9. Is the servicing adequate?
  10. Have the provisions been made for follow-up?
- 

### Editors' Note

Some companies have found particularly effective ways of bringing the story of their products and services directly into teaching materials which are highly valued by school authorities and teachers.

An outstanding job is being done by Pan American Airways Corp. to make the next generation understand commercial aviation and its impact on the world. The company leaves classroom indoctrination in techniques of flying to others and concentrates on the social, economic and cultural implications of international flight. Its campaign is built around "Classroom Clipper", a bimonthly 12-page company publication sent free to teachers to be used as the basis of classroom programs. In three years, 40,000 teachers have come to use it regularly. Each issue contains a special study of some country or area to which Pan American flies. Teachers also receive a series of books on foreign countries and are provided for classroom use with pamphlets, slide films, maps and charts. The story of aviation is in the background of all these teaching tools.

### A Trade Association Gives Leadership

The Association of American Railroads supplies widely used free educational material to schools. It enables teachers to conduct complete classroom units on the history and development of railroads, on services performed, and on various occupations within the industry. Teachers' kits contain classroom manuals, pamphlets, "quiz" books, bibliographies of railroad literature, lists of available films, pictures, and other aids.

The Ford Motor program has been particularly successful because the public relations department of the company not only knows and anticipates the curricular needs of the schools but also because it is constantly breaking new ground in the use of modern methods and techniques. One of these is a series of booklets in cartoon-strip style carrying such captions as "The Story of Steel", and written and edited by educators. They were tried out first in Detroit with the full co-operation of school authorities. General Electric has also made wide use of the same technique in getting over to the schools the story of the electrical manufacturing industry.

### New Techniques in School Relations

A wide variety of methods is available for creating understanding and friendship on the part of students and educators other than providing teaching material. Various chapters of this book will point out in detail how company publications, annual reports, and other public relations messages can be distributed to opinion leaders among whom, of course, teachers and school officials must be numbered.

Corporations are just beginning to recognize the real potentialities of open-house visits by educators and students. (See Chapter XXVIII on the Open House). Ford Motor Company, Detroit, after distributing its cartoon booklets throughout the school system, took 80,000 students and teachers through the Rouge plant to see it in action and to study the processes described in the booklets. At the end of the tour, kits were presented to each teacher for use in measuring the observation and retention of students.

Dan River Mills, Danville, Va., recently inaugurated "High School Day". Seniors of the local high school took a tour of the entire plant. Company officials and supervisors acted as guides to small groups. After the tour each executive gave a "My Day" exposition of his responsibilities and explained to students the relationship between his job and all other operations in the plant.

At Spicer Manufacturing Division of Dana Corporation, Toledo, Ohio, executives of the company and members of the union's bargaining committees acted as guides and explained to a thousand students the products made and the processes of production. Each visitor was given a booklet explaining the operation of the plant and the craftsmanship which goes into its products. After returning to school, instructors conducted discussion periods about the visit.

### Employee Recruitment in Schools

To make high school students respect and become interested in business and at the same time to stimulate community interest, Pitney-Bowes, Inc., Stamford, Conn., has developed an effective technique. When the high school class of Stamford High School is ready to graduate, the company writes a folksy full page ad for the class yearbook, reproduces it in the two town papers, broadcasts it on its sponsored radio program, and distributes copies to the company personnel. The ad is based on the idea of community cooperation, good will and tolerance. It suggests that graduates drop in to the company's industrial relations department and talk about their plans for a future job.

### A Leader in School Relations

Bank of America, California, is among the nation's leaders in the development of sound relations between business institutions and educational systems. Backlog of the program is the 250,000 savings accounts maintained for California school children. In other ways the bank is doing real pioneering. One illustration is its plan to employ public school teachers of California at substantial wages during their summer vacation. This gives the teacher a working acquaintance with the functions of the bank and an understanding of its policies. That in turn makes the whole school system more receptive to the teaching materials and cooperative plans of the bank.

Executives of the bank and public relations representatives plan to call on every school in the state at least once a year. These explain the economic functions of banking and the place of the bank in the community. At the secondary and college level the program is of direct assistance to the bank in its recruiting of employees.

This aspect of school relations calls for far more executive thinking than has been applied to it up to now in the average company. Recent surveys show that most teachers and school authorities avoid classroom speakers from business because they are stuffy, speak above the maturity level of the student and are unable to tie their remarks into the teaching curriculum of the school.

### Developing Understanding of Management Problems

Some of the more practical programs for school cooperation undertake not only to explain the philosophy of business to students but also to give them an understanding of the problems of management. Industry-education cooperation took a new turn when 500 students in the School of Business Administration, University of Michigan, set themselves up as a make-believe regional meeting of General Mills stockholders. The students met with the company's top executives and public relations personnel at Ann Arbor. Copies of the annual report had been sent the students in advance and the students kept the chairman of the board busy with probing questions. The show was conducted in the same manner as the regional meetings General Mills has been holding with its stockholders for some years. It featured a motion-picture version of the annual report, exhibits of company products and activities, a long forum period—and refreshments.

Caterpillar Tractor, Peoria, Illinois, sponsors a local round-table organization in which businessmen, educators and school officials meet

once a month to discuss mutual problems and promote community interests. Standard Oil of New Jersey sends its executives into universities where forum meetings and round-table groups study the economics and philosophy of business.

#### Liaison between Business and Education

The American College Public Relations Association has proved itself an effective liaison agent between business and education. It has done much to encourage the elevation of public relations to the policy-making level of management in educational institutions and to the establishment and improvement of public relations courses.

With public relations moving so rapidly to its rightful place in the management picture, one would expect that business organizations would do more to tie their public relations programs into curricular activities. Here are a couple of interesting exceptions to the rule:

The Charles Morris Price School of Philadelphia decided to concentrate on the case study method in teaching public relations. It arranged with the Institute of Public Relations in New York City, consultants to the hat industry, to provide the school with copies of plans, surveys, and program procedure as they develop. Each week the students submitted questions which were answered by the institute. The experiment became a proven means for teaching public relations.

The problem of giving practical experience to students of public relations is solved in an unusual way at Webber College, Babson Park, Fla. The institution went to businessmen in nearby towns, invited them to visit the college, discuss their problems with the students, and then use the services of the students gratis. The youngsters went to work studying specific public relations problems, conducted opinion surveys and outlined programs. Many businessmen adopted their plans intact and even offered jobs to students upon graduation.

#### Pitfalls in School Relations Publicity

A new school relations technique has been developed by Corn Exchange National Bank, Philadelphia, Pa. Representatives of the bank go into the junior high schools and lecture on the history and economics of banking. Students are then given an examination based on the lectures. Those who pass are given trips through the bank where officials exhibit the functions and departments discussed in the talks. This activity stimulated much community interest and made good copy for feature stories which appeared in the city's papers.

This last observation suggests a warning. Sound school relations fre-

quently result in spontaneous and helpful publicity within the community and sometimes even nationally. But nothing is more dangerous than planning a school relations program with the idea of making publicity capital of it. Schools will not tolerate being exploited and it's easy to give the impression that you're attempting just that.

### Sound Publicity Promotion

Once in a while an occasion develops naturally for widespread publicity in connection with a school cooperation campaign. That's what happened when the Pan-American Coffee Bureau staged its nationwide essay contest among school children. It developed just at a time when inter-American relationships were of paramount interest, when every agency of government was concentrating its attention on the issue, and asking the cooperation of the school systems in addition to every other civic and cultural agency. Despite the fact that such a campaign might be interpreted as encouraging coffee-drinking among school children and would ordinarily be frowned upon, school cooperation was almost universal. Government agencies cooperated, winners were taken to Washington, prizes were awarded in the Library of Congress, a radio audience of 6,500,000 listened to the Quiz Kids discussing the economics of coffee-growing and of the countries which produce it. And the press of the country gave first page attention to the event.

### CONCLUSION

Here then is an area of public relations in which sincerity of purpose and unselfishness is a paramount ingredient. At a time when the attitude of the next generation towards business and the American philosophy is critically important, opportunities in the field should not be overlooked by any business organization, large or small. But nothing could be more destructive, if not dangerous, than to rush into such a program without the most serious and exhaustive study of its potentialities.

—G. G. and D. G.

## DISTRIBUTOR AND DEALER RELATIONS

BY J. M. McKIBBIN  
Director of Advertising and Sales Promotion,  
Westinghouse Electric Corporation

■XV

### A NY EXPOSITION OF THE SUB-

ject of this chapter should start with two self-evident truths which we shall dignify by the label "Commandments." But they should be memorized with tongue-in-cheek reservations because the problem of winning better public relations with distributors and dealers cannot be solved by words alone. It can be solved only by the diligent application of each of these commandments in many ways. Always remember that every wedding between a manufacturer and a distributor, between a distributor and a dealer, is a moneymatch, and that as soon as money troubles arise love flies out the window.

What are these Commandments?

1. *Keep them sold!*
2. *Keep them selling!*

The pronoun "them" in our two commandments refers to either distributors or dealers, or both. To preclude the possibility that an irate

reader will pitch his tent outside my door, to confound me with protests against the lack of typicalness in the examples I intend to use, I must digress long enough to establish the standpoint from which this is written. My company, the Westinghouse Electric Corporation, makes more different kinds of electrical products than any other company. These products range from large wind-tunnel motors down to tiny light bulbs, some as small as a grain of wheat. There is a definite distribution channel for each group of related products. Each distribution channel has its own peculiarities—some established by the market to which a group of products is sold; some established by the technical requirements of the installations themselves. A sales engineer who distinguishes himself at Grand Coulee Dam might fail utterly at the job of selling a Laundromat to a housewife; just as a top-notch Laundromat salesman might find himself flabbergasted by the logarithms of Grand Coulee.

Some of our products are sold only by the parent company, some are sold both by the parent company and through distributors, some are sold only through distributors. Here, I shall limit the discussion to two sharply defined distribution channels generally used in American industry. First, that channel which carries apparatus through distributors to industrial companies; second, that which carries appliances through distributors to homes. The word *apparatus*, as I use it, means industrial products for production purposes. The word *appliances*, as I use it, means products for home use.

Although I will continue to turn to Westinghouse for my examples—the company and situation I know best—the principles I outline here apply not only to one company or to these two kinds of distribution, but to all areas of manufacturer-dealer public relations.

The organization that you establish for your distributors and dealers is important. So are the benevolent policies that you write for them. We shall assume that your organization is a good one; that your distributors have been well chosen as corner stones forming specific, essential parts of your sales structure; that your distributor-dealer policy is calculated to cement rather than to disintegrate that structure. Now let's get back on the track.

### KEEP THEM SOLD!

That sounds simple, doesn't it? You just keep your distributors and dealers sold on the idea that your company and your line of products is top-hole—better than any other combination to be found. But how does one do that? By making *their business your business*.

To do that you must start out by acting the role of *The Prospective Customer*. As *The Prospective Customer* you are in need of something, and have the money (or the credit) to buy that something. Let's say it is product X, some form of which is made by many different manufacturers. You have a choice, then, of X-1, X-2, X-3, down to X-10. Among all of these you have decided upon X-2, and you're going to buy it in preference to all other brands. Why? That is a poser. Millions of dollars have been spent to find out. I think you're going to buy X-2:

Because you have a Y-2 made by the same company, which has always given you complete satisfaction, or

Because the company that makes X-2 has a good servicing organization, or

Because you know more about X-2 than any other brand, or

Because X-2 looks good, or

Because you like the X-2 salesman, or

Because it's cheap, or

Because it's expensive, or

Because . . . of an endless variety of reasons.

One inescapable fact remains. You're going to buy X-2. So you go to your dealer. "Mr. Dealer", you say, "that X-2 is the one I want. None other." That comes close to being the whole point of my story. When you, *The Prospective Customer*, say that to a dealer often enough, that dealer stays sold on X-2. You, as *The Prospective Customer*, had one or several reasons for wanting to buy a particular product. Any reason you have for wanting to buy it is a good reason. Let's just take these three:

Because you have a Y-2 made by the same company which has always given you complete satisfaction. *One good product sells another.*

Because the company that makes X-2 has a good servicing organization. *Service makes sales.*

Because you like the X-2 salesman. *The salesman personifies his company.*

But let's get away from these X's, which are beginning to remind me unpleasantly of something they used to call algebra. Let's talk about these three reasons against the background of real products and one company's problems.

#### One Good Product Sells Another

When you bought your electric range from Westinghouse, you bought a complete cooking service. With that range, we gave you

many things that would help you turn out good meals automatically. We gave you an instruction book, a meal planning guide, a home canning guide, to show you how to get the greatest enjoyment out of the range. We gave you the services of the Westinghouse Home Economics Institute, a proving center dedicated to electrical living. Here, constantly seeking the answer to "How will it work in the home?", trained home economists, directed by a recognized authority on the subject, consult with engineers, test appliances, check consumer reactions, test recipes, test cooking procedures, prepare instruction books, develop educational materials, train home-service women, and cooperate with outside research specialists. They also train demonstrators, conduct scientific tests, and explain time-saving procedures.

Why did we do all this? Because we want you to be enthusiastic about that range. If we can make you do that, no competitor is going to have a chance when you decide to buy other appliances. When we sell you one product, we want to sell you twenty-two or twenty-three other items. That gives us a wonderful opportunity for group promotions. That, in turn, keeps the dealer happy. He's sold on us because he's selling our products regularly and repeatedly.

The same principles apply to industrial apparatus. When you bought your radio frequency generator from Westinghouse you bought an education in war-born electronic techniques. We gave you with that generator a complete understanding of its operation, its advantages, its limitations—and the ways in which this new production tool utilizes radio waves to process materials. We gave you this because we wanted you to learn how to harden steel faster, how to bond plywood more securely. Some day you're going to need motors and transformers and maybe even a complete plant network system. When that time comes we want you to buy Westinghouse.

#### Service Makes Sales

Another thing you got with your appliance or apparatus was a sincere interest on our part in the continued satisfactory operation of that equipment. First, we made sure that you understood it and knew how to get the most out of it. Then we said to you "Now look. Everything mechanical is liable to go haywire once in a while. If this equipment should do that—we don't expect it, mind you, but if it should—get in touch with us immediately. Complete servicing facilities are available at all times."

Appliances are serviced through trained dealer and distributor men. Industrial apparatus is serviced through thirty-seven large repair shops

in strategically located cities throughout the country. In addition, we maintain in all our district and branch offices a well-staffed maintenance department. Each distributor has a service manager and a service department. They train dealer service men. This pays dividends. It pays dividends by creating a feeling of security among our customers. That security becomes loyalty.

### The Salesman Personifies His Company

Everyone knows that. It's practically a law of nature, like gravity. But how does it affect dealer relations? The answer is simple. Well-trained salesmen sell more, and dealers like nothing better than big volume. Whether he represents the parent company, a distributor, or a dealer, the salesman is given every educational advantage that a company which prides itself on the preeminence of its missionaries can invent.

Not only is he trained; he is equipped with materials to help him sell. He has every conceivable sales aid that would help him get the story across to the customer. Unless the customer stays sold on that company, the latter is in a losing battle to keep its dealers sold. In the final analysis, dealer loyalty depends in large measure, and almost directly on customer good-will.

### Public Relations With and For Dealers

Now suppose you stop playing The Prospective Customer role. Be *Mr. Dealer* for a change. As Mr. Dealer you will expect the manufacturer you represent to use advertising for increased user recognition and user acceptance of your products. You will expect this advertising to be placed in all the usual media. And you will expect some special promotion techniques too.

The kind of techniques depend, of course, on the company and the product. They might include a good radio show or a movie for dealers to show at local affairs. These would also contribute much to building prestige for the company and to developing dealer pride in the product.

The program is likely to include product booklets, window and counter displays, and a good external company publication which gives dealers and distributors a sense of identification with the manufacturer.

You will expect all these things and more. And you ought to get them, Mr. Dealer, because you are the manufacturer's best customer as well as his star salesman. You ought to be given whatever it takes to keep you sold and you will be his star salesman and dealer only so long as you are kept sold.

### Manufacturer-Dealer Relationships

You've played the role of The Prospective Customer; then the role of Mr. Dealer. Now suppose you be a *Manufacturer*. You have acquired distributors and dealers. In selling those distributors and dealers on the idea of peddling your wares, you have said to them "One of the things you can really depend upon is that my company will be fair with you." Then what happens? I can tell you two dealer-relations problems that almost inevitably develop.

One is that each distributor, before long, will begin to feel that if he had twice as many dealers in a given territory, he'd get twice as much business. You've got to convince your distributors that that is seldom true, that the fewest possible number of dealers that can cover a territory adequately is the proper number. Fewer dealers—better dealers—more profits per dealer.

This is distribution policy for major appliances where service is required, such as refrigerators, ironers, et cetera. But in the case of over-the-counter sales, small table appliances, lamps, tobacco, toothpaste, and what have you, the problem is to get wide availability of products and have as many dealers as necessary to cover the territory adequately.

The other thing that almost always happens is a squabble about special discounts. You, a *Manufacturer*, will have your own reasons for wanting certain people (some of them will be good customers for other of your product lines, some will be employees, et cetera), to get special discounts. That can get to be murder for a dealer. There's only one way you can solve that problem. That is for you, the manufacturer, to absorb whatever loss there is on the transaction. Let your dealer get his regular net profit on every sale. In a company such as ours, 100,000 employees can eat up a lot of dealer's profits. The only conceivable thing you can take away from the dealer fairly on such a sale is a percentage of gross profit that he would normally have to charge off to selling expense.

Define the scope of operations for your distributors and your dealers. Then stick to your bargain. Help them to build their businesses; don't compete with them.

### KEEP THEM SELLING!

There are many facets to a "Keep them selling" program for distributors and dealers. We measure the value of each of them by the degree to which it will help a distributor or dealer salesman achieve *More Sales*

*Per Hour.* Our objective always is to give a salesman greater selling power during the relatively short time he spends with his customers. Our methods of accomplishing that objective vary. *Training* and *equipping* cover the most important aspects.

#### *Training the Salesman*

In my company, training programs come naturally. Most of the apparatus manufactured and sold direct by the parent company is of a highly technical nature—steam and electrical equipment for large power plants; broadcasting transmitters for commercial stations; distribution equipment for metropolitan areas; steel mill drives—the kinds of things that require specialized knowledge far beyond that which a newly hatched engineer can be expected to have. So the first thing a college graduate does when he comes to Westinghouse is start going to school all over again.

He is given a little bit of everything we have, a sort of prolonged aptitude test, before he is assigned to a particular niche where he will specialize. Each man begins with an intensive nine months' course in all phases of our company's operations. Those who show a particular aptitude for selling are given an additional four weeks' course which duplicates, in classroom sessions, the basic procedures of sales work, including negotiation procedure and sales techniques. To make individual instruction possible, these classes are kept to a maximum of 25 students. Students are thoroughly trained before they are given assignments as sales assistants.

After the first indoctrination, training becomes a regular part of their lives. As new products, new techniques, new processes are developed, they must be trained in those new things. How can a man talk intelligently about ultra high-frequency equipment, for example, if he's still thinking in terms of sixty cycles? He can't. Constant training is imperative to keep each salesman up to date on new products, changing markets, better manufacturing methods and processes, new sales concepts. That puts us in an advantageous position when we talk training to distributors and dealers. They know that we take our own medicine in extra large doses. So they cooperate wholeheartedly.

For both distributors and dealers we have two kinds of training programs. The first kind we call break-in training; the second kind, continuous training. Now I must begin to particularize between apparatus (for industrial use) and appliances (for homes); because the training methods we use for these two product groups are necessarily quite different.

*Break-in Training for Distributor Apparatus Salesmen*

Our break-in training courses for distributor apparatus salesmen include an intensified study of the "Fundamentals of Electricity" as well as the "Fundamentals of Products." In presenting these two kinds of fundamentals we have a working arrangement with our universities in Pittsburgh that permits us to use their laboratory facilities, their classrooms, their dormitories, and their engineering teaching staffs. Instructors for the product sessions—to show how to apply products, how they work, how to select them, how to price them, and their special sales features—are hand-picked from department heads in our manufacturing divisions.

After three weeks of basic electrical training, the students are given twelve weeks' training on the application of products and on selling methods. To reduce training time to a minimum, we make extensive use of visual aids, such as scaled models, mock-ups, animated exhibits,

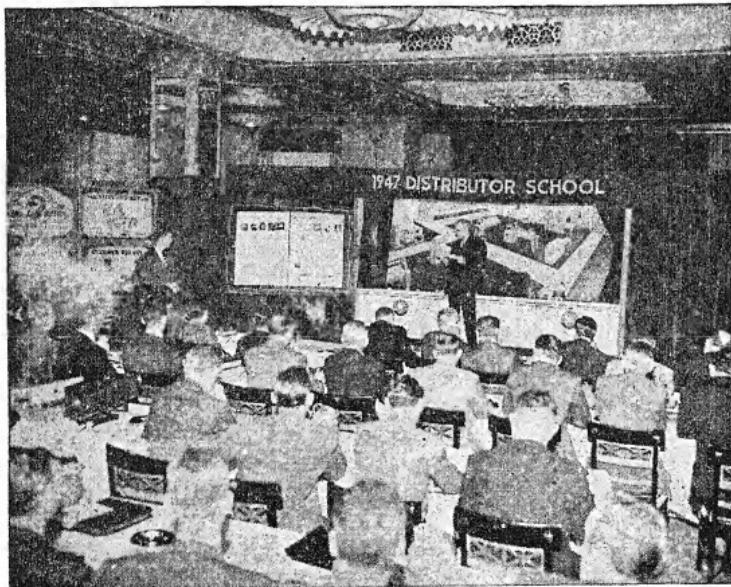


FIGURE 13.—WESTINGHOUSE DISTRIBUTOR APPARATUS SCHOOL WHERE DISTRIBUTOR SALESMEN LEARN TO PRICE, SELECT, AND APPLY APPARATUS FOR INDUSTRIAL PLANTS.

motion pictures, slide films, and blow-up diagrams, as well as actual demonstrations of the apparatus itself. Supervised trips to Westinghouse plants, coordinated with the classroom instruction, give each man a first-hand picture of the manufacture of products, as well as the opportunity of seeing many of these products in actual factory use. These classes are limited to 36 men each. You must be careful not to allow your classes to become overcrowded to the point where individual instruction is a farce.

Oral quizzes are conducted each day and written quizzes at the end of each week to determine how things are getting on. We consider the final full-day examination at the completion of each course as much a test of our training methods as it is a test of each student's absorption power.

#### *Continuous Training for Distributor Apparatus Salesmen*

Because our company, and yours, too, probably, is constantly bringing out new products, or new applications of old products, or because new physical concepts are arising, we find it necessary to have continuous training programs for our distributor apparatus salesmen. These training programs are not conducted in a headquarters location, as are the break-in training programs. They are, instead, packaged courses designed for use in our distributor offices.

All these training programs have a dual purpose: one, that of persuading distributors and their salesmen of the importance of knowing everything there is to know about the products they handle so that they can do a more effective selling job for themselves; two, that of helping them to educate their customers.

#### *Break-in Training for Distributor Appliance Salesmen*

We have a broad line of appliances ranging from electric comforters to radio receivers. Generally, the training procedure is the same as that employed for apparatus salesmen except that the basic training period is much shorter and that each distributor appliance salesman is expected to train appliance salesmen for the dealers he serves.

We provide sales-training units. These are put into the hands of district appliance specialists who are members of the parent company organization. Each training unit usually consists of a movie, a set of charts, and suggestions for the talks to be given at these meetings. Each of our district appliance specialists is responsible for training the distributor appliance salesmen in his district. This type of training unit

always features one product, such as a refrigerator, or a range, or a roaster, giving the mechanical and sales advantages for each product.

### *Continuous Training for Distributor Appliance Salesmen*

This training consists almost entirely of promotional activities which re-educate both distributor and dealer salesmen on product advantages and at the same time increase their efficiency by showing how these products can best be promoted to dealer salesmen and to customers. It leads naturally into our next subject, equipping the salesman.

### *Equipping the Salesman*

Let us assume, now, that you have done a good job of training your distributor salesmen and that they, in turn, have done a good job of training dealer salesmen in the intricacies of your business and the peculiar advantages of the products which you have to sell. These well-trained salesmen of yours are practically helpless unless you do an equally good job of equipping them to sell. You must provide them with catalog materials and with materials that will help them retell your sales story.

*Catalogs and pricelists* form a reservoir of information about your products. Catalogs should contain descriptive information, dimension sheets, application data, and selling features of every product you make. Our complete parent company price-form catalog is an eight-volume, loose-leaf compilation. Long ago we realized that it was too bulky for distributor salesmen to use efficiently. We supplemented that unabridged catalog with a condensed loose-leaf handbook called "The Distributor Apparatus Kit." This is tailored to the needs and selling practices of distributor salesmen on the road. It covers ninety percent of the day-to-day needs of distributor apparatus salesmen. Any additional information they require can be obtained immediately by referring to the unabridged catalog that is kept in every distributor's sales office.

*Equipment Models.* We have found it advantageous to equip salesmen with scaled models. For example, our X-ray distributor salesmen have models of X-ray equipment by means of which they can show an exact lay-out of a planned X-ray department to hospital officials and to doctors. This makes it possible for non-technical men to see how their new laboratory is going to look. Other difficult products, like metal-clad switchgear, ignitron substations, and paper-mill drives, have been profitably dramatized by our salesmen through the use of model presentations.

*Demonstrators.* Distributors find customer uses for much of the

demonstration equipment we use in our distributor apparatus school and other special events designed primarily for distributor salesmen. Such properties are made available to them.

Other kinds of materials with which we equip our distributor and dealer salesmen are special presentations and, wherever practical, product samples.

#### Sales Promotion

Now you have a man who is trained and who is equipped with the necessities of a salesman's life. How are you going to inspire him to sell something? That is where dealer-distributor advertising and sales promotion come into the picture. Sales promotion that keeps them selling is varied.

It consists of the kinds of things that a manufacturer sends regularly to distributors—counter-window displays, identification signs, car cards, newspaper mats, radio spot announcements.

It consists of the kinds of things that a manufacturer sends to distributors to get new dealers and to keep existing dealers excited about sales—counter-window displays, signs, radio spot announcements, sound slide films, motion pictures, charts, store modernization lay-outs, window-dressing designs, demonstrators.

It consists of the kinds of things that a manufacturer prepares for a distributor to send to dealers for direct use with customers—booklets, folders, illustrated letters, charts, demonstrators, samples.

It consists of all these things, plus one other priceless ingredient—enthusiasm. Confine your efforts to producing the kind of sales-promotion material that will help your distributors and dealers produce more sales per hour for each of their salesmen. Stay away from braggadocio generalities. Stress the features that make your particular product more desirable than all others. Don't just say it is "better." Tell why it is better, how it is better, and, if you really mean what you say, prove your statements.

Those are a few of the ways in which you must "Keep Them Selling". You must make *selling* the most important thing in their lives because it is the one thing, more than any other, that will keep them happy.

#### CONCLUSION

You've played the role of "*The Prospective Customer*". I've tried to tell you about a few of the ways in which my company goes about the job of making you a satisfied customer.

You've played the role of "*Mr. Dealer*". I've tried to tell you about a few of the ways in which my company goes about the job of making you a prosperous dealer.

You've played the role of "*A Manufacturer*". I've tried to tell you how to build a distributor-dealer organization that stays sold and keeps selling.

You have to be a versatile person.

To "*Keep Them Sold*" you must put yourself in the role of the customer; of the dealer; of the manufacturer.

To "*Keep Them Selling*" you must put yourself in the role of an omniscient being who knows all, does all.

Contemplate all these things. Follow my two commandments. Only then can I give you a gilt-edged guarantee that you will have no difficulty in winning better relations with distributors and dealers.

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### Editors' Note

The distributor-dealer organization is almost as important in the public relations operation of a company as in its sales program. Through the training and management of their salesmen, these groups largely determine the opinion the public will hold as to the company and the attitude it will maintain towards it. Here's one case in point:

The Standard Oil Company of New Jersey looks upon its 22,766 dealers as the shock troops of its whole public relations program. Esso holds indoctrination meetings, prints a series of guide books, produces an extensive library of motion pictures and keeps its executives on the road a good part of the time teaching individual distributors and dealers the story of Esso and how to present it.

Throughout this whole program Esso constantly couches its messages in terms of what sound public relations means to the distributor and dealer and to their economic future. No detail is left to chance. Esso teaches its representatives not only what to say and do, but *how*. This training includes precise methods in dealing with visitors, fellow workers, customers, et cetera; and gives close attention to winning friends through the communication channels of the telephone and of correspondence. The appeal to them is phrased in this way:

"It all comes down to meeting the people and talking to them before, during and after business hours, in the terms you'd use towards your own friends and your own family. That friend for Esso we made yes-

terday—or failed to make—that's the public; our bread and butter, yours and mine!"

### Developing the Partnership Spirit

The conspicuous weakness in relations with distributors and dealers is that too many companies concentrate on the price and quality of goods and the efficiency of service with little or no attention to the human factors involved. The most effective programs put first emphasis on developing personal relationships and human understanding as the background for a program.

The Ford Motor Company uses all the familiar devices in its program but it goes further. About once a year it brings its dealers to Dearborn, meets with them in groups and consults with them sincerely, not only as to company-dealer relationships, but also as to the styling and specifications of cars and the advertising and promotion of them.

Sherwin-Williams Company, Cleveland, has developed a relatively new device. It issues a special annual report to dealers discussing all matters in which there is a partnership interest and exposing frankly and in detail product and promotion plans for the coming year.

Supertest Petroleum Corporation, London, Canada, has succeeded in establishing genuine family relationships with its dealers. A big banquet is given every year for all dealers who have been associated with the company for five years or more. Gold and silver emblems are distributed in recognition of five, ten and twenty years of service. The party is announced by extensive community advertising. The names of those honored are published in local newspapers and announced over local radio stations. Dealers vie with each other to discover who can boast the longest service record. Car owners frequently drive into stations and ask where they can buy stock in a company which enjoys such fine dealer relations.

Many manufacturers establish exhibits at state fairs and industry trade conventions, almost exclusively for the purpose of bringing in dealers and distributors as their guests and putting relationships on a personal basis.

Too many manufacturers assume that only the larger companies are equipped to maintain a planned program of relations with distributors and dealers. But some of the best programs are maintained by surprisingly small corporations. So-Lo Works, Cincinnati, has only 121 employees. Yet it brings its dealers to the home office, and uses most of the techniques employed by the larger companies. So-Lo takes full page ads in the local newspapers to tell the community the company's and

dealer's plans and policies. Reprints are distributed to employees and to dealers and their salesmen.

### Training Dealers in Community Leadership

Shell Oil puts special emphasis on training and helping its 20,000 dealers to become community leaders and to tell their own story and incidentally that of the company to their customers and neighbors. Five specialists are kept on the road constantly doing nothing but train and assist dealers in their own public relations. This includes not only indoctrination in the use of the tools provided by the company but also an individual program for each dealer.

Shell produces and maintains a library of films and teaches its dealers how to stage community gatherings at which they are shown.

The company's publicity and press relations are geared to the local level. Most communications are distributed to local media by the dealer and much of it is sponsored by him and tailored to his own needs.

Dealers are encouraged to practice public speaking and Shell helps them to find speaking dates. It also furnishes the dealer with prepared speeches and with material from which he may fashion his own addresses.

The result of this is that in a typical month 200 newspapers with a combined circulation of twenty million carried news stories largely sponsored by the home town dealer. Approximately 130,000 people every month see Shell motion pictures shown by the dealers.

### The Rexall Program

One of the most elaborate programs is conducted by Rexall Company, Los Angeles. The company's dealers are primarily the 10,000 druggists who carry and promote its products. A staff of 170 field representatives spends practically all its time teaching public relations to these druggists and devising individual programs for them. These druggists are organized into thirty-seven state and regional groups which meet frequently and study public relations presentations staged by the home office.

Even the company's extensive national advertising is geared specifically to the service of the local druggist and of the doctors in the community. Every top executive spends a substantial part of his time visiting individual druggists and attending their group meetings. Justin W. Dart, president of Rexall, has his own airplane and spends more time visiting his dealers than he does at his desk. The Rexall program includes not only public relations and sales indoctrination, but also prac-

tical engineering assistance in designing the store, arranging its displays and maintaining inventories.

Perhaps the importance of these activities is best summarized in a message from Standard Oil of New Jersey to its dealers:

"The Esso dealer—one of our chief ambassadors of good will to the public—does much to create the climate in which our company basks or bakes."

—G. G. and D. G.

## THE WOMAN PUBLICS

BY MABEL G. FLANLEY  
*Partner, Flanley & Woodward*

■XVI

**I**N ADVERTISING AND SELLING, the women's market has long been recognized as a separate entity, when it comes to moving consumer goods. Sales and advertising experts have developed special techniques for merchandising and selling products to women. Psychological researchers have analyzed the different reactions of women to various appeals. Market analysts have studied the effectiveness of media for various groups at all income levels. Business has long recognized that women comprise a special market requiring special attention for selling consumer goods.

Today good public relations practice demands this same recognition of the importance of the woman publics and the need for an effective woman's program with special techniques. A public relations program is engaged in merchandising, and selling, too—but merchandising and selling ideas. Thoughtful management executives realize this is a job for experts, too—for experts who know as much about merchandising

*ideas to women* as sales executives know about selling *products to women.*

A public relations message must be geared to the interests of women, and must reach *all* the important "markets". Therefore, a study of the woman publics and what to do about them is an essential part of any well-rounded public relations planning today.

### Who Are the Woman Publics?

The 71,296,000 women in the United States are divided into every area of public relations which is dealt with in this handbook. Women are stockholders, employees, employees' wives, customers, consumers, and producers of goods. They are more than half the population of any normal community.

The woman publics divide themselves into many different segments with different interests. These same women are homemakers, educators, business and professional women, government leaders, farm women, club women, veterans, labor union and union auxiliary members and, in addition, citizens active in their own communities.

A public relations program which will really move women to action must take into consideration special characteristics of all these different segments of the woman publics. It must take cognizance of the variety of their interests and motivations. It must be based on what each segment is thinking and seeking and must be geared to the respective interests of each.

### Dominant and Growing Influence of Women

The importance of the woman publics in any effective public relations program can be summed up in one simple statement. *Women hold the balance of power in the United States today.* According to the United States Bureau of the Census, there are 1,709,000 more women than men over fourteen years of age in this country. This is in contrast to 1910, when, with a total population of 91,972,266, there were 2,800,000 more men than women.

In the control of the wealth of the nation, women are an increasing factor. Women are the owners of:

1. Over 70 percent of private wealth
2. Over 55 percent of savings accounts
3. Over 50 percent of the stock of industrial corporations
4. Over 33½ percent of all industry
5. Over 44 percent of public utilities
6. Over 40 percent of real estate

Women inherit 68 percent of all estates and are the beneficiaries of more than 80 percent of life insurance policies. They disburse over 85 percent of the family income and buy over 80 percent of the nation's consumer goods.

### Women in the Labor Market

In the labor market women are an important factor. In this area, again, there is evidence of the *increasing* importance of women. In 1940, women constituted 12,574,078 of the 52,020,023 employed persons. World War II altered the situation completely. On V-J Day, out of 51,660,000 employed civilians (and 12,000,000 in the armed services), the women employed were estimated at 19,000,000. Even after the postwar exodus of women from the labor force in war industries, the latest figures indicated 16,002,000 women employed in agriculture, trade, and in industry.

Consideration of women in the labor market is incomplete without some attention to an often neglected angle—women as a factor in the professional groups and in the higher income brackets. Too often, public concept is limited to thinking of professional or semi-professional women as being primarily school teachers. Teachers are an important and influential segment—but not to the exclusion of the rest who exceed them numerically. For instance, according to the U. S. Bureau of the Census, in 1940, there were 3,558,428 professional and semi-professional workers in the United States, of which 43.8 percent were women. Of these only 41.7 percent or 645,488 were school teachers; 900,353 were engaged in other professions.

In a sound public relations program consideration should be given to women in the higher earning bracket of the labor force—they are important opinion leaders. But this consideration should not be limited to school teachers. There are 900,353 doctors, lawyers, dentists, nurses, dietitians, home economists, architects, and engineers. Run the gamut of the professions and you find women who are an important "market" for public relations ideas.

Women hold the power to swing elections in the United States today. On Nov. 5, 1946, there were 1,171,948 more potential women voters than men. On the night of the presidential election in 1944, a well-known opinion researcher publicly stated that it was virtually the women's vote that elected the president of the United States.

There can be only one obvious conclusion from a careful analysis of the situation existing today. If the opinion of the American public is to be molded today, it is not only desirable, but *essential*, to consider

women as an important public. They are not only powerful in their own right, but have an influence which is wide spread and reaches into many other areas important to effective public relations.

### Women's Influence Is Wide-spread

This is a new era in public relations. New problems have called for new patterns. Modern practices call for added effort in certain specialized fields where the employment of specific knowledge can be of important supplemental value in achieving good public relations measured by tomorrow's opinion.

Modern techniques require concentrated attention on important segments of the public. Breaking down the broad front of the public into influence groups, and reaching those influence groups with specific information designed to appeal to their interests, is a proven effective approach. Among such influence groups are organized labor, racial groups, youth—and, importantly, women.

But women should not be viewed just as a separate group, but in relation to their influence in other special groups.

Constituting twenty percent of the total union members, the three million women trade-unionists are a segment to be reckoned with in union labor. In addition, there are several million wives, daughters and mothers of trade-union members, who belong to auxiliaries. (There are two and a half million in A. F. of L. auxiliaries and an unannounced number in C. I. O.)

Even in those phases of a public relations program directed specifically to racial groups, women's influence is a strong factor. The women in the racial groups themselves have the same power of influence in their homes and communities as do all other women, and therefore must be reached as women, too. But, in addition, women in these groups are not only interested in racial problems, but are talking and stirring people to action. Any program designed to reach racial groups will be less effective unless women are intelligently informed and their influence directed constructively.

Women's influence on youth is indisputable. The molding of youth and shaping of their opinions has long been acknowledged as a major job of women. The mother in the home and the teachers (largely women) in the schools, are the major influences on youth, their actions and opinions.

With the current emphasis on community relations as a part of public relations programs, special thought should be given to the influence of women at the community level. Women with their individual

efforts and through their organizations have always been the most activating group in any community project. All the evidence points to the sure conclusion that there must be no "forgotten women" in a public relations program today if it is to be effective.

#### Which Appeals Will Motivate Women to Action?

Women have certain fundamental interests and characteristics. By their nature, they are particularly concerned with the welfare of their families, their communities and their nation. Health, welfare and security are all-important to women. An appeal to them must give them confidence that these objectives are a part of any program, system or social order.

Women often act on emotional appeal. You think that is dangerous? Unpredictable? No, not if you understand the emotional drive behind that action and harness their emotions to your objectives.

Women, too, have a strong practical streak in them. Be careful of that, if you are tempted to skim along the surface in your explanations and not give them the meat of the subject.

Women are loyal—tenaciously so—to the things in which they believe.

Women love causes. They have a great will-to-do ready to be harnessed into action for any cause which they consider a worthy one.

Women are particularly impressed with the company which exhibits a sincere interest in women, recognizes their importance and demonstrates that recognition through a program directed to them.

A program can be made to appeal to women's fundamental interests. When it does, it will be effective in developing their loyalty—to the products of the companies they know and trust. But equally important is the effectiveness of such a program to women as citizens. It is well to remember that women may be satisfied purchasers of your products, returning even for repeat sales, but may vote you out of business if they do not understand what you are doing and why you are doing it.

Satisfied and informed citizens as well as satisfied and informed customers must be the objective of a sound public relations program. Harness the power of women to your cause by appealing to the fundamental interests which motivate them and you have made a great step towards your goal.

#### PRELIMINARY STEPS IN PLANNING A PROGRAM

*Remember*, first of all, that a "clean house" with good policies which you can justify as operating in the public interest, is the first essential to good public relations.

Analyze your own public relations problems and the story you want the public to know and understand. At this stage, don't let your own thinking about the limitation of the areas of women's interest color your analysis. This is a day when most public relations problems have to do with hard economic facts. Labor-management relations, pricing and government regulations, profits and fair trade practices, reserves and ability-to-pay clauses constitute major public relations issues in many quarters. If public understanding of these and many other equally complex problems are your public relations challenges, list them. Then face squarely the fact that understanding on these scores by women is essential to the attainment of good public relations.

Know the public misconceptions in the areas of your interest. Know the points of agreement and conflict which exist between you and the public. Research studies are an effective means of accurately determining public attitudes. And, if you really are serious about wooing and winning women, know, by actual research, wherein women's opinions differ from the combined male and female reactions of general public opinion polls.

Determine the best organizational plan for *you* to assure proper handling of a woman's public relations program. Whether you turn to outside counsel, give the responsibility to a present member of your public relations staff, or select a new person to direct this phase of public relations, be sure the person you select is well qualified for the job by background and experience.

In general, one can say of a public relations program directed to women that it is a woman's province. Into the mouth of Don Quixote, Cervantes put these words centuries ago, "What man has assurance enough to pretend to know thoroughly the riddle of a woman's mind?" It would seem wise to employ the feminine mind both to fathom the depths and to meet the demands of women—as citizens and molders of public opinion today.

But, the feminine mind is not enough. In fact, business in the past has made the mistake of feeling that employment of a woman to carry on programs for women's clubs or similar groups constituted adequate handling of their women's public relations situation. Often she had no public relations training or experience.

The woman to direct a sound public relations program addressed to women must be a person of broad vision, with whom you will discuss all activities, all policies of the company or organization. She should have an earnest interest and capacity to delve deeply to learn the answers.

The person to direct your woman's program should have full access to the information and the thinking of all executives and department heads and should be a person whose judgment you can trust, who can represent you well to the public and who has the respect, and can talk the language, of the woman publics you are preparing to reach.

*Determine who and where* the women are whom you should reach and make a careful analysis of the relative importance of various woman publics to your company or organization. It is fundamental in winning the loyalty and understanding of women to direct your program to the *particular women* who are of *first importance* to each phase of that program as it is developed.

Women are not a single public which can be reached by a so-called "feminine approach." Women, like men, have special interests, and a successful public relations program geared to women must take advantage of the knowledge of the special interests of each of the woman publics. It must include projects and use techniques devised to meet the various segments at their points of interest.

### Personalized Approach Is Best

The background of knowledge so essential to planning the right approach in developing an effective woman's program may well result in a first reaction of discouragement because the field of action is so vast. In public relations today, personalization of our business to the public is stressed. To the woman publics the personalized approach is particularly important.

Certainly management should meet the public on all possible important occasions. Certainly your public relations personnel should be in a position both to convey and gather information through some personal contacts. Selected representatives should appear on programs and be present at meetings of important groups. But how far can this personal approach go? How far is it effective? How far is it economical? To a degree, it is indispensable—but to depend on personal contacts of representatives of an organization to do a comprehensive job over a large area is impractical. Too often, in the past, companies employed a woman or women to make personal appearances before hundreds of small gatherings—usually of club women—and considered they had a "woman's program." That sort of effort cannot produce effective results on any broad scale nor be considered the complete answer to the problem.

Personal contact cannot, and should not, be abandoned—but it should be made on a highly selective basis. You cannot know what women are

thinking and doing by sitting at your desk. But you can pick groups which you will use as a sounding board of women's opinion; you can budget the time you allot to personalizing the story in individual contacts, and you can adopt the technique of working through key women leaders to disseminate your information to the masses.

It is largely the leaders who mold women's opinions; it is they who can and will tell your story for you, if you devise a method of disseminating information through them.

Can you acquire acquaintanceship with key leaders of women's opinions by buying lists? No. Canned lists which can be purchased through regular channels do not constitute a means to a personalized approach. If your counsel or director of your woman's program does not have a wide acquaintanceship of leaders in all the groups of influence, take time to build your own acquaintances, and create your own lists. Start with the leaders who are close to you in your own community; impress them with your sincerity and your message. They will respond with a request to you to share that information with others. A slow course? Yes, if you put it that way—but an ever-widening circle of influence which becomes your own—an effective medium for a truly personalized approach.

#### Two Major Patterns for Action

No public relations program directed to women is complete unless that program encompasses every activity in the company as it relates to the woman publics. The person in charge should direct an action program to create understanding by women of the company's policies and practices; should direct or supervise informational and educational programs on products, and in addition should advise the other department heads on activities relating to the woman publics. Therefore a comprehensive public relations program directed to women falls into *two major* action programs:

(1) Dissemination of information about policies and practices of a company to women opinion leaders, as citizens, and (2) Providing product information and education.

#### (1) Reaching Opinion Leaders

Some business leaders are beginning to take cognizance of the importance of women and to have some appreciation of their influence. As they study the appeals that motivate women they realize that the woman publics can be interested in industry's problems and can be moved to action in industry's behalf. These leaders are beginning to plan such

programs. One of those recently inaugurated will provide proof of the soundness of this approach.

A leading trade association, having excellent relationships with member companies, business press and government, was faced with the major misconceptions in the attitudes of women. A few of these were:

1. Profits are too high
2. Distribution costs are too high
3. Bigness in industry is bad
4. Manufacturers' concern for employee welfare is negligible.

A program was established to correct these errors in public opinion and to create an understanding of the economics of the industry. This might be considered a dull subject to most women. However, with a knowledge of women's interests, of their current thinking and activities, and the way to reach them, the program was planned and presented in terms women not only could understand but which so aroused their interest that they would want to pass it on to others. Booklets and bulletins providing basic information, questionnaires to tap leadership thinking, personalized letters to selected opinion leaders on major political issues, and special material geared to the specific interests of particularly important groups were some of the tools used.

Some of the results: National women leaders, recognizing the importance of the information, passed it on in speeches and written articles to other women leaders throughout the country. Leaders of study groups, provided with background material, used it in original programs and sought additional assistance. The press adopted phases of the program to promote.

Editors of women's pages of newspapers, syndicates, magazines, as well as women radio broadcasters cooperated voluntarily in providing information to women. For some it meant a change from former editorial patterns to include messages to women as citizens—not just as cooks and homemakers.

The trade association became a headquarters for information about the industry—became recognized as such by women opinion leaders throughout the nation. Women leaders who had been indoctrinated with information antagonistic to industry and actually contrary to consumer interests, became as enthusiastic about industry's cause as they had previously been biased.

#### (2) Product Information and Education

Background material about a company's products, as well as care and use of the products, should be provided. Information should be specially

prepared so as to be most useful to the particular segment of the woman publics to be reached.

Effective and efficient distribution of the material can be planned only with a thorough knowledge of the woman publics and how to reach them. The person in charge should not only know the women leaders, but understand how each works with her groups so that sufficient quantities of materials can be distributed without waste, or smaller quantities made to perform with greater effectiveness through expert selectivity.

Some manufacturers plan an information program that actually serves as a promotion program for their customers and proves to have excellent public relations value for themselves. As illustration, two examples are mentioned here:

A container manufacturer maintains a comprehensive educational and informational program. While this program features in good measure the uses and values of the consumer products (the contents of the containers), it also effectively builds respect for the processors and the container manufacturer. The importance of the processing methods, the convenience and sanitary value of the containers, and the intrinsic worth of the variety of products packed in them—all are emphasized in the well-coordinated program.

Excellent films for school and group use with accompanying study kits, booklets, exhibits and extensive personal contacts and correspondence servicing inquiries are major tools used. But the information disseminated is derived from basic company research and development. A detailed plan of distribution of both films and other materials and careful follow-up are contributing factors to the effectiveness of the program.

This company establishes good public relations with the general public as well as with its customers and profits when the packers order more containers to meet the resultant increased consumer demand.

A manufacturer of machinery used in making a building material saw the need of creating greater public respect for the end product in home building. Recognizing the influence of women's decisions on home building, a public relations program was developed and directed to women as the main "target." Information concerning the program and tools used was provided to the product manufacturers, the building industry and building press, in addition to the usual channels in a woman's program.

The fundamental soundness of the program was demonstrated by the

immediate response of all segments of the building industry—manufacturers of the end product, architects, builders and contractors. The program was then expanded to provide additional information to these areas of direct influence on home building, so that they in turn, could take full advantage of women's influence with direct benefit to them.

Unusually dramatic proof that good public relations is not the intangible it is too often said to be, was provided by this program. Not only was good public relations established with the customers, the ultimate consumers and all intermediaries in the industry, but increased orders for the machinery brought immediate tangible returns to the manufacturer himself.

### Development of Procedures and Materials

Certain points deserve full consideration in developing the specifics of your program, whether they be on the product information angle or the broader public relations responsibility concerned with public understanding of policy and practices. It is important to think not only in terms of talking to women in the language they understand and gearing material to their specific interests, but constantly to adjust such a program to meet any change in the pulse of women's thinking. An important advantage, too, in the leadership approach, can be the cooperation of leaders of all the various groups in all sections of the country (if the program is to be of national scope) in planning the program. As a result they become enthusiastic and take pride in sponsoring it. To this end is indicated the employment of such techniques as conferences with national women leaders; correspondence and personal meetings with women who reflect the pulse of important women's groups so that all approaches may be timed to meet the current tempo.

With the major objective to influence women who hold the balance of power in public opinion, procedures must be developed to this end. You cannot achieve the objective by one little project to reach women's clubs; perhaps another to education; nor is it achieved by merely gearing your publicity to women. You must have a comprehensive plan—well coordinated—not bits of programs shot here and there. You must implant the right kind of information carefully; and, you must know women and *all* their groups and activities and the interest and motivations of each group. You use that knowledge to time your program and direct it to all the segments of the woman publics and to make its import strong and effective. Just as you do not depend on one small piece of a promotional program to sell your product, neither do you depend

on any single-shot approach, such as reaching 30,000 women's clubs, to sell your public relations ideas—the objectives, policies and practices of your business.

No ready-made series of projects and procedures can be set forth to constitute a proper pattern for a good public relations program directed to women. Patterns differ with companies and situations. However, here are listed some methods of procedure which can be put to work:

1. *Selection of company literature* now available, that would be of interest to women, and channeling it to selected groups with a suitable accompanying letter.
2. *Preparation and planned distribution* of new materials geared specifically to the interest of the woman publics, such as:
  - a. Booklets
  - b. Program kits
  - c. Follow-up bulletins
  - d. Material for women to use in their own speeches
  - e. Films.
3. *Supplying kits of reference material* to libraries. These should be promoted and presented in such form that they will be circulated to women who are seeking program material and information, and not used only as technical references.
4. *Taking full advantage of new opportunities* with the women's press.
  - a. Women editors of newspapers have a special approach for presenting their information to the public. Sometimes regular news releases can be adapted for good feature articles on the woman's page.
  - b. With a personal acquaintance among editors of women's magazines and national women radio directors and commentators, and a knowledge of their interests, many opportunities can be created for feature stories and broadcasts of importance to your company, geared to women's interests.
5. *Personalization of your company* through meetings, national and local.
  - a. While other techniques such as the program and source

material suggested are the most economical and effective ways to reach thousands of women in their organizations, there are a few important national meetings to be addressed which are worthy of the time of top executives.

b. If there is a strong community interest it would be particularly effective to personalize your company to the women in these communities through some meetings with key women leaders.

6. *Reach the women in your official family*—your stockholders, employees, and wives of employees. This does not necessarily mean that special programs or special materials are required. It does mean thinking of women in those groups, as you are preparing your regular material, and including in it some appeal that interests the women in those groups and makes the material more effective in their hands.

For instance, mailing a copy of your company publication to the home does not necessarily insure winning the wife of your employee, unless you direct part of that publication to *her* specific interests. But the women in your "family publics" will take pride in your woman's program. Making the information about that program available to them, and keeping them informed of its progress, will further their interest and loyalty and in some instances move them to action in support of the program.

These are only a few of the techniques and projects which may be adopted. The tools to be used in your woman's program are not new. They are the same tools which are used effectively in every area of public relations. The way in which they should be used may differ, but it is the *approach* which can make them most effective.

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### Editors' Note

The revival of the consumer movement is by itself ample reason for business to make a scientific study of the importance of women as the objective of its public relations messages and the highest possible development of the tools suitable for reaching them.

This revival of the consumer movement began in the early days of the depression. Public interest in it waned in wartime but behind the scenes the urge acquired tremendous impetus during World War II and

particularly during the postwar adjustment period. Some of the most effective leaders in the movement were to be found in government departments and agencies, not only in Washington but throughout the country. Women spearheaded that movement and found their most responsive followers in organized women's groups.

The basic importance of women in the creation of public attitudes was discovered and first exploited by big business. In this the automobile industry established early leadership and has since maintained it. An early pioneer in this movement was "Buck" Weaver of the General Motors Corporation whose blue-printing of woman's influence on purchasing habits set a pattern first for the sales promotion of the industry and then for its public relations procedures. A solution of the basic public relations problems of many important industries has been found almost exclusively in an appeal to women.

#### Women Important to Most Programs Today

For generations the life insurance industry concentrated its attention on men who could sign an application blank. Today the Institute of Life Insurance, recognizing that most insurance is bought as a protection and service to women, has established a full-fledged women's division in its public relations operation and gives major attention to its woman publics.

The liquor industry has belatedly recognized that practically all of the impetus for the prohibition movement comes from women, and particularly from women in rural and small town areas. Consequently a substantial part of the \$4,000,000 to \$5,000,000 the industry spends annually on public relations is addressed primarily to the women in those areas.

Long ago the motion-picture industry realized that practically all the urge for local and national censorship came from organized women's groups. It hired a former president of the General Federation of Women's Clubs to direct a special bureau, operating a nationwide program at the community level. Since that program was organized and put in full swing, there has been practically no expansion of motion-picture censorship and little threat that an effective campaign in that direction may develop.

#### Loyalty of Women to Their Magazines

In planning any national program directed to women, don't overlook the basic fact that women's magazines exercise a more direct and effective influence on the thoughts and habits of their readers than al-

most any other medium. Personal service through the printed page is the keynote to the success of these magazines. A majority of their readers have developed an implicit faith in the editorial integrity of their favorite publication. A persuasive feature story in such a magazine can do more to implement the thinking of women than almost any other channel of communication. In this connection it is well to remember that there are several established and well-recognized counseling firms who know and serve the needs and enjoy the complete confidence of the editors of women's magazines.

This is not a market to be served with a shotgun. All general releases which might be of interest to women should of course be sent to the editors of women's magazines. But important editorial projects should be tailored for a particular magazine and worked out in consultation with its editors.

#### Reaching Women Through Their Editors

Many important corporations and trade associations have discovered the potentiality of this medium. Lees-Cochrane Carpet Company took a trainload of editors from the leading women's magazines on a tour of its mills, offices and showrooms and got over the basic story of carpet manufacture in this country as it had never been told before. Dozens of important feature stories reaching millions of American women were just one of the dividends of that brief and relatively inexpensive campaign.

When Theodore R. Sills & Company (Chicago) were retained to direct a campaign for the pottery manufacturers of the country, they made a quick survey and discovered that the average woman editor had only the vaguest idea as to how chinaware is made or as to the virtues of American pottery. They took the leading woman editors of the country through two of the largest potteries where they met the principal executives and studied what they should have known long ago about American pottery. That experience stood the industry in good stead when government officials proposed that American money and technicians be exported to Japan to revive an industry which once dominated the American chinaware market.

It is important to observe here that each of these programs went far beyond the mere exploitation of a particular brand or type of product. In every case the whole economy of the industry was explained and dramatized. The editors and their readers acquired a broader understanding of the basic principles all business is trying to develop. This contributes directly to the solution of a basic problem recently dis-

covered by most industries. This problem is that the consumer frequently is as much interested in the integrity of a corporation and the craftsmanship which it puts into its products as she is in the precise specifications of those products.

This modern trend in public relations and merchandising is illustrated in a program recently inaugurated by the Aluminum Company of America. The company cooperates with a leading department store in a trading area. Every manufacturer using aluminum in the production of consumer goods in that region sets up an exhibit in the store showing not only his manufacturing processes but also dramatizing the policies of the company. In every case sales of aluminum goods have expanded immediately in those areas and it is a fair assumption that the public relations of the aluminum industry improved also. Through this device, thousands of women all over the country learned not only the merit of aluminum household wares, but formed mental pictures of the companies which produced them.

#### Women in Employee and Community Relations

Every day public relations programs are being pointed more at the community level. Every day new evidence accumulates to prove that women as individuals and in organized groups dominate community attitudes. No profession has been more skeptical in recognizing the function of public relations than the newspaper editor. Yet today not only are the leading newspapers setting up public relations departments and practicing public relations on an organized basis, but they are recognizing the leadership importance in their communities. For example, the *Minneapolis Star and Tribune* now sends its editors to each important Minnesota community to cooperate with women's clubs in staging forums for teaching club leaders how to discover women's news of general interest and how to prepare it so that it will get by the city editor's desk.

The outstanding development in the public relations of business with women is the more or less scientific survey appraisal of the influence of wives and mothers on employee attitudes and morale. Since that truth was convincingly documented, business every day is tying the home more closely into its employee and community relations. Company publications are pointing more directly at the home and a large and growing percentage of indoctrination messages are addressed to employees at their homes instead of being handed out at the plant as was the general custom until recently. Open house parties are concentrating on the wife and friends of the worker to acquaint them with con-

ditions in the plant and with the mutual problems of employer and employee.

### Exploitation of Opinion-Poll Findings

Use of one relatively new technique for influencing women is increasing rapidly. It starts with interesting a research organization or a national publication in taking opinion polls among women. The results of these polls are then broadcast through every available medium of communication, to the wives and mothers of employees and to the members of organized women's groups. Women are inherently skeptical of anything having the appearance of propaganda. They respect and accept the findings of professional groups using scientific methods to evaluate public opinion.

### Implementing Club Programs

Many large corporations and trade associations maintain a speakers' bureau which sends lecturers to address women's clubs.

A relatively new adaptation of this method is proving effective. Typical is the program of the Bristol-Myers Company.

Program chairmen of more than 7,500 women's clubs were sent questionnaires as to the subjects they preferred to discuss at their meetings. The company learned that more than 65 percent of them listed good grooming. Public relations specialists for the company then prepared complete programs and kits for these clubs. They included outlines of talks by member-speakers, bibliographies and reference leaflets, wall charts, program quiz blanks and program report forms. There was little direct reference to Bristol-Myers products which contribute to good grooming, but every woman at all familiar with what is offered at a drug counter got the story which Bristol-Myers is spending millions to tell through radio and the printed word.

What makes this technique particularly effective is that the program chairman and the members prepare the programs themselves and look to Bristol-Myers only for working material. This removes the feeling that club members are being subjected to sales promotion.

### Woman Publics Merit Special Attention

Executives who resist any program which makes a special and direct appeal to women usually base their decision on the assumption that men and women are people and what logically appeals to one is likely to influence the other. However one might be inclined to debate that assumption, the important thing to remember is that women are influ-

ential and vocal and that many channels of communication for reaching them directly and convincingly have no appeal whatever to men. The controlling factor in any decision on this question might very well be that women have far more confidence in the special media of communication addressed to them than either men or the public as a whole has in general media. To overlook the woman publics is to pass up one of the most profitable opportunities for reaching a potent audience.

—G. G. and D. G.

*Part VI*

TOOLS AND MEDIA IN  
PUBLIC RELATIONS



## PUBLIC RELATIONS TOOLS AND MEDIA

BY VERNE BURNETT  
Public Relations Consultant

■XVII

**I**T IS VITAL THAT THE PRACTITIONER have sufficient basic knowledge of public relations policy and practice in order to employ its tools properly and not make inept use of them. Just as a set of surgeon's instruments does not make a surgeon, access to the equally delicate instruments of public relations does not make an expert. A public relations executive counsellor requires as much training and skill as a surgeon.

### KNOWING YOUR FIELD

To keep up to date on activities in the public relations field, many individuals and organizations subscribe to *Public Relations News*, the national weekly news service in the field. Such magazines as *Printers' Ink*, *Tide*, *Editor & Publisher*, *Advertising and Selling*, *Public Opinion Quarterly*, and *Public Relations Journal* also are helpful.

EDITORS' NOTE: For bibliography in the field, see page 617.

Naturally, you will wish to subscribe to the trade publication concerned with your organization's particular field or fields.

There are various organizations open to public relations practitioners in good standing: The Public Relations Society of America with national headquarters in New York City and The American Public Relations Association in Washington. There are also several important local publicity public relations groups. The Association of National Advertisers conducts valuable work in the public relations field. National organizations such as the National Association of Manufacturers, the United States Chamber of Commerce, and the American Management Association and industry associations have extensive public relations activities.

In order to function efficiently, every organization must keep abreast of developments in its own areas of interest. Few executives have sufficient time to undertake a wide range of reading for themselves. Many public relations departments, therefore, serve as intelligence centers for their organizations. They subscribe to principal newspapers in their localities, as well as to leading general and trade magazines, and compile periodic exhibits of clippings. These reports are circulated to executives.

The Chesapeake & Ohio Railway goes further. It prepares a daily summary of clippings relating to railroads and affiliated activities and mails this special digest to several thousand prominent shippers and executives—a daily public relations activity which has proved valuable.

#### The Clipping Services

Because of time urgency, few rely entirely on clipping services, but they are valuable in checking publications to which you do not desire to subscribe regularly. Two of the leaders are Burrelle's Press Clipping Bureau, 165 Church St., New York 7, N. Y., and Luce's Press Clipping Bureau, Inc., 27 Thames St., New York 6, N. Y. Others are:

1. Capital City Clipping Bureau, 175 Lancaster St., Albany, New York
2. Ohio News Bureau, 516 Cleveland R. R. Building, Cleveland, Ohio
3. Allen's Press Clipping Bureau, 142 Sansome St., San Francisco 4, California, covering California, Oregon, Washington, Utah, Nevada, Arizona, Montana
4. Boston News-Clipping Bureau, 120 Tremont St., Boston 8, Massachusetts, covering Massachusetts, Rhode Island, Connecticut, New Hampshire, Vermont, Maine

5. Central Press Clipping Service, Indiana Pythian Building, Indianapolis, Indiana, covering Indiana and Kentucky
6. Consolidated Press Clipping Bureaus, 431 South Dearborn St., Chicago 5, Illinois, covering Illinois, Wisconsin, Iowa, Michigan
7. Florida Clipping Service, Bus Terminal Building, Tampa, Florida, covering Florida
8. Students' Clipping Service, University of Texas, Austin, Texas, covering Texas
9. Southern Press Clipping Bureau, 99½ Walton St., Atlanta, Georgia, covering Georgia, Alabama, Mississippi, Louisiana, Tennessee, North and South Carolina, Virginia
10. Southwest Clipping Service, 210 Westport Road, Kansas City, Missouri, covering Missouri, Kansas, Nebraska, Oklahoma, Colorado
11. Henry Romeike, Inc., 220 West 19th St., New York, New York.

The American Trade Press Clipping Bureau, 15 East 26th St., New York, N. Y., specializes in the magazine field, endeavoring to clip "all the magazines in many fields" and "the leading magazines in all fields, including thousands of business, trade, technical, medical, professional, farm, labor, religious, women's, home, and popular magazines."

For scientific ratings on editorial and news treatment of leading subjects in the nation's newspapers, the *Twohey Analysis of Newspaper Opinion* is issued weekly by James S. Twohey Associates, 118 C St., NW, Washington 1, D. C. The Twohey organization also makes special "spot" daily, weekly or monthly reports on press opinion or entire news coverage of any important subject or story. This includes such things as the amount of coverage, specific pages and headlines, and the amounts and parts of the wire service story carried by the individual papers. The Twohey organization makes similar reports on the nation's labor press.

#### Reference Material

Every public relations worker should have certain basic Federal government publications for his working library. A listing of key government publications will be found in most public libraries. One of the principal government publications you may want is *The U. S. Government Manual*, a 700-page publication issued several times a year. It is the official handbook of the Federal Government and contains much basic information, including sections describing the functions of

every agency and every unit. You may also want a copy of the *Congressional Directory*, and perhaps other publications which can be obtained from the Government Printing Office in Washington. Another important government booklet is *Trade and Professional Associations of the U. S.*, which includes data on the approximate size of staff, number of members, and principal services of 2,000 business and 1,000 professional and other leading organizations in this country.

No public relations worker can afford to overlook the area of labor relations, because of the close interplay of these two fields. There are numerous publications which will keep you abreast of the labor relations field. One of the best for the busy public relations worker is *The Management Review*, for members of the American Management Association, 330 West 42nd St., New York 18, N. Y. Another good service is the *DM Digest*, issued by Martin Dodge & Company, 2216 RKO Building, New York 20, N. Y.

These are a few of the principal tools which are of value to public relations workers generally. Couple them with thorough knowledge of your employer or client, knowledge of public relations media, and an understanding of people and their reactions. All this will assist in enabling the public relations worker to do a better job.

Public relations executives, particularly in industry, should know at first hand the thinking and strategy of Left Wingers in this country. The best way is to subscribe to one or more of the publications most likely to present a true picture of communist and fellow traveler thinking. Among these are:

1. *Daily Worker*, 50 East 13th St., New York, N. Y.
2. *Daily People's World*, 590 Folsom St., San Francisco, Calif.
3. *In Fact*, 25 Astor Place, New York, N. Y.
4. *New Masses*, 104 East 9th St., New York, N. Y.
5. *Political Affairs*, 832 Broadway, New York, N. Y.
6. *Soviet Russia Today*, 114 East 32nd St., New York, N. Y.
7. *Chicago Star*, 166 West Washington St., Chicago, Ill.

Perhaps one of the easiest ways to follow Communist activities in this country is to read *Counterattack* regularly. This is a weekly, four-page news-letter published by former FBI executives at 55 West 42nd Street, New York City. (\$24 a year.)

### OPINION RESEARCH

One of the keys to the correct use of public relations tools is *obtaining the facts first*. When you know what people think and feel about

your organization or your product, how much they know or don't know about it, what their habitual responses are to certain approaches, you have the information helpful in selecting your method of operation.

Modern survey techniques can determine for you what you want to know about the groups you desire to reach. For the simpler projects, many organizations conduct their own polls. This is feasible—providing you are satisfied with what may be indications, rather than accurate percentages—when you know the answers to such factors as:

1. Is the sample in relatively true proportion to the particular types or groups of people whose opinions you desire?
2. Has the questionnaire been properly designed? Does it avoid leading questions which would distort the results? Is it understandable, and will it convey the same meaning to all types of people?
3. Is your sample sufficiently large to reduce the range of error inherent in all surveys?
4. Will a mail survey or a personal interview survey be more appropriate for the particular job?
5. From a policy standpoint, and also to obtain unbiased answers, would it be preferable that your organization be anonymous or identifiable?

For precise findings, however, and on all complicated surveys, you will wish to consult professionals. Scientific polling requires a considerable background of experience.

There are many research organizations which can do an outstanding job for you. Many specialize in particular fields, and to study all the possibilities, you may wish to consult the *Survey and Directory of Marketing Research Agencies in the United States*, by Professor Ernest S. Bradford, Director of the Bureau of Business Research, City College School of Business, 17 Lexington Ave., New York 10, N. Y. A few of the best known organizations making community or nationwide samplings of public opinions of organizations, products, and public thinking are:

1. Opinion Research Corp., 10 Nassau St., Princeton, N. J., also 10 Rockefeller Plaza, New York 20, N. Y.
2. The Psychological Corporation, 522 Fifth Ave., New York 18, N. Y.
3. Elmo Roper, 30 Rockefeller Plaza, New York 20, N. Y.
4. Stewart, Dougall & Associates, 30 Rockefeller Plaza, New York 20, N. Y.
5. Benson & Benson, Princeton, N. J.

6. National Opinion Research Center, 4901 South Ellis Ave., Chicago 15, Illinois, also 280 Madison Ave., New York, N. Y.

Costs vary widely in relation to the job to be done. To give you a rough idea, however, let's assume that your organization is an industry interested in determining the opinions your plant community holds about your company. Your reasons for determining these opinions and having them as favorable as possible may include such factors as property taxes; legislation or restrictions concerning sewage, smoke, and other problems inevitable to most factory operations; traffic regulations in the vicinity of the plant; accident and other court cases; stabilization of labor supply to avoid the costly expense of turnover; public understanding in event of labor disputes; and various intangible and tangible benefits of employee and community good will.

Generally speaking, unless your plant city is a major metropolis, 500 to 1,000 interviews should be sufficient to determine scientifically the answers to the problems in your mind concerning the community's attitude. Your anonymity can be preserved even from the persons making the interviews. Costs depend on varying factors such as number of questions, your location, and whether the bulk of the interviewing can be done in daylight or must be done during evening hours when most workers are home.

#### Surveying Employee Attitudes

Many progressive managements are conducting opinion audits among their own employees. This technique should be used at intervals by every organization which is genuinely interested in building and maintaining good employee relations. Such polls consist of a series of questions to determine what your employees like and dislike about their working conditions, supervision, management policies, employee services, rates of compensation, and their attitudes toward top management.

To counteract unnecessary fears among managers regarding this technique, there are several approaches. Sometimes a trial poll in a single department will demonstrate the value of a complete study. Management might confer with executives of other companies which already have conducted employee opinion audits with success. Reliable assurance must be given that findings will be treated confidentially.

Actually, such surveys are morale builders—providing they are followed by action where the results indicate reasons for action. Public relations counsel and research organizations agree that experience has shown there are no bad repercussions, providing the survey is made at a time of relative calm in the individual organization's labor relations.

The results in many ways often provide managements with an entirely new slant on employee opinions.

Some favor questionnaire techniques, others personal interviews. Costs vary widely depending on such factors as the number of employees, travel costs, and the number of specific analyses of specific departments or divisions of an organization.

### Get the Facts

Opinion research is an essential guide in conducting a successful public relations program. Facts discovered through studies, and acted upon by public relations techniques, helped to establish the quick-frozen foods industry. When Birds Eye Frosted Foods started, it was found that public acceptance of the idea of frozen foods was difficult. Among other drawbacks, the public regarded all frozen foods as *cold-storage foods*, with resulting lack of interest. The promotion was then geared to emphasize such factors as the *freshness* and high quality as well as convenience of Birds Eye quick-frozen foods. It required many years to win acceptance, to get needed equipment into stores, and to meet many other problems. Throughout the development of the new industry a keen awareness of public attitudes proved to be highly worth while.

Key facts and ideas were explained, not only to food merchants and the general public, but also to teachers, home economists, doctors, feature story writers, and editors of woman's pages in leading magazines and newspaper editors of household pages.

Similarly, much of the preference for nylon as a fabric was created by early public relations work, based upon a knowledge of public attitudes toward substitute fabrics. Rayon, for example, had been regarded originally as a *substitute* for silk, with the result that it took many years to overcome a prejudice in women's minds against "substitute."

Nylon was deliberately promoted as a *new fabric*—not as a substitute for anything. Advertising, publicity, promotion, and dealer helps all carried out this idea; so that the time-lag in the acceptance of nylon was shortened materially.

Whether it is a product promotion problem, a public service campaign, a labor problem, a political campaign, correction of wrong impressions, developing of community projects—get the facts. Opinion research will help you do it.

EDITORS' NOTE: For additional information on this subject, see Chapter XIII, Part IV, "How To Use Opinion Surveys in Public Relations"; and Chapter X, Part III, "Winning Better Relations with the Community."

## PUBLICITY

The techniques by which your ideas and words reach the publics you select are grouped together under the terms publicity and advertising.

Publicity may take the form of news released to press syndicates, newspapers, radio, or trade publications. It may be feature material for magazines or radio programs. It may be telling about your cause or product in pamphlets, brochures, direct mail, or other types of printed material, or in full length books, if your subject is extensive enough for book treatment. The spoken word may spread your ideas through the talk of friends with other friends, or through meetings and speeches.

You can tell your story through paid advertising, which, although it may cost more at the outset, can do many jobs faster and more thoroughly than other types of publicity, since in it you can say what you wish (within reason) and you can control the time and place of its appearance.

You may use any or all of these techniques in a campaign, employing each when and where it is most effective. A happy combination is paid advertising *plus* the support of other public relations techniques.

### Analyze Publicity Outlets

It is important to remember that in dealing with outlets for publicity you are working with people. You need to understand what key men and women regard as useful material for their purposes. You need to know editorial viewpoints in magazines, newspapers, and book publishing, as well as the practical details of deadlines and probable available space. In radio you need to know program preferences, time limitations, and the problems of scheduling material or guest speakers ahead of time. If you send out photographs, send them to the outlets which use them, and be sure you know what they like. You must be able to judge when your story merits newsreel coverage, when it is a city desk or a special department story, when it isn't news at all but should be told through other techniques, or perhaps not told at all.

Fair play, correct timing, reliability, high standards of correctness in appearance of copy, ingenuity in developing ideas, excellent typography and lay-out—all of these factors are important. Also, hit-or-miss or uncontrolled publicity may do more harm than good. Before you prepare a single piece of copy, schedule a speech, lay out a pamphlet, or consider the use of films, work out a master publicity plan so you can see exactly what impressions upon public opinion you are creating.

and why, when, where, and how. Don't ride off in all directions at once. There are emergencies, particularly in handling publicity in the form of news, when you must think and act spontaneously without advance planning. These emergencies are the exception and not the rule.

Remember, publicity can mean Barnumesque ballyhoo, or needed information tending toward social enlightenment.

EDITORS' NOTE: For additional information on this subject, see Chapter XVIII, Part VII, "Publicity—A Tool of Public Relations"; Chapter XXI, Part VII, "How To Hold a Press Conference"; Chapter XXIII, Part VII, "How To Prepare and Place a Feature Article" and Chapter XIX, Part VII, "Relations with the Press."

## ADVERTISING

Organizations with forward-looking public relations programs often turn to paid advertising to bulwark other forms of publicity in getting their message to the public and their own employees. Paid advertising has the advantage of permitting the sponsor to say what he desires to say, in the way he wants to say it, at the time and place he wants to say it. He may employ newspapers, magazines, radio, television or other media.

On both national and community levels, where advertisements have been prepared properly and where an organization's public relations policies are sound, the results have been impressive. In some cases, they have been measured. For example: Libbey-Owens-Ford Glass Company conducted a plant-town newspaper advertising campaign on the "Let's Get Better Acquainted" theme. In Toledo 42.7 percent of the people interviewed remembered the advertisements. Headline readership ranged from 66.7 percent to 77.8 percent—which is unusually high—and some text readership ranged from 39 percent to 61.5 percent, depending on the individual advertisement. And 68 percent of the people interviewed thought it would be a good thing if more local companies did advertising of that kind. The program was a key factor in giving the company a rating as an excellent place to work.

By using newspaper space on a continuous basis for 12 weeks, a large liquor company improved the percentage of people who thought favorably of the company from 26.6 percent to nearly 50 percent in three large cities. In seven small towns, where the alcoholic beverage industry finds the greatest amount of unfriendliness, those in favor of the company jumped from 13 percent to 25 percent after the campaign. A two-year campaign in 3,000 country weeklies is recognized as having done much to check the growth of local option.

### Thematic Treatment

Experience has shown that such advertisements must talk about specific things in which people are interested, and must be believable. If they are, they can help increase production, obtain a better supply of workers, decrease employee turnover, prepare the way for a new industry, and even help settle strikes. Dr. Henry C. Link, of the Psychological Corporation, points to this essential: "The effectiveness with which an idea is projected depends on the sharpness and simplicity with which it is defined before being put in the form of an advertisement or article."

Among effective campaigns are those with a definite theme, such as Du Pont's "Better Things for Better Living Through Chemistry," U. S. Rubber's theme "Serving Through Science," and International Nickel's theme "Your Unseen Friend." It is a mistake to attempt to convey too many ideas in a single advertisement.

**EDITORS' NOTE:** For further information on this subject, see Chapter XXVI, Part VII, "Public Relations Advertising," and Chapter X, Part III, "Winning Better Relations with the Community."

## NEWSPAPERS

In the United States there are about 1,760 daily newspapers and some 8,700 other newspapers, principally weeklies. The total circulation of the dailies is about 51,000,000, while the weeklies reach about 13,500,000 homes. The average readership of each daily newspaper is estimated conservatively to exceed two and one-half persons and the average readership of each weekly paper, somewhat higher.

Because newspapers are read by virtually all adults in the United States, and because newspapers and wire services originate nearly all the material which radio stations use for their news broadcasts, most experienced public relations men consider newspapers the chief public information medium. While they do not overlook the importance of radio, magazines and other media, newspapers are an ideal starting point in any public relations activity, whether it is advertising or other forms of publicity.

Though it may not be conclusive in itself, a survey made in the community of Montclair, N. J., showed that 73 percent of the adults based opinions of national and international issues on what they read in newspapers. Many listed more than one source, which made the percentages by media total over 100 percent, but 58 percent listed radio; 44 percent

listed magazines; 31 percent mentioned books; 12 percent mentioned people (discussion with family, friends, and other groups); 3 percent cited forums; 1 percent mentioned churches and the Bible; and less than 1 percent cited motion pictures.

One of the best publications for a high-spot picture of newspapers and wire services and how to work with them is "How To Meet the Press," issued by the Public Relations Department of the New York Central Railroad Co., 466 Lexington Ave., New York 17, N. Y. Other helpful pamphlets of a similar nature include "Hints on Working with the Press," by the Public Relations Department of the Aluminum Co. of America, Pittsburgh 19, Pa.; and "Handling Publicity," by the Department of Public Services of General Mills, Inc., Minneapolis 15, Minn. Every public library of any size has a number of books which explain the detailed operation of newspapers, in case you are interested in further details. One of a number of the better ones is *The Newspaper—Its Making and Its Meaning*, by members of the staff of *The New York Times*, published in 1945 by Charles Scribner's Sons.

#### Give Fast, Accurate Service

If a public relations man knows newspapers' needs and habits, newspaper editors are almost universally willing to work closely with him. Some are making active efforts to increase publicity cooperation. *The Minneapolis Star and Tribune*, for example, holds community meetings, using editors, charts, and slide films, to teach Minneapolis clubwomen how to find more news which is acceptable and how to get their stories printed.

There are innumerable niceties involved in working with newspapers, but the essentials in handling press inquiries for information are to give the facts clearly, accurately, and as quickly as circumstances permit. Above all, "play it straight," for as Showman-Columnist Billy Rose says: "Hoaxing an editor these days is as smart as picking a cop's pocket."

For quick reference, here is a partial list of the main types of outlets for newspaper publicity:

1. Leading dailies, and Sunday editions
2. Syndicated Sunday supplements such as the *American Weekly*, *This Week*, and *Parade*; each of which counts its weekly circulation in the millions
3. "Home town" papers
4. Special groups—trade, foreign language, racial, religious, labor press, etc.

5. Weeklies
6. Newspapers of other countries—reached through syndicates or through special placement.

Material for newspapers may be of several types: news, feature material, human interest, or specialized material fitting into different departments of the paper—woman's pages, picture section, financial or educational sections, book news, etc. But remember—you must know your newspaper "market" or you are wasting your organization's time and money and making editors antagonistic instead of friendly.

### Lists of Newspapers

In making up lists of newspapers and editors for various types of stories, you will need to employ certain standard reference books. For key personnel and other data on daily newspapers of the United States and Canada, most organizations use the *Editor & Publisher—The Fourth Estate, International Year Book Number*, issued by the Editor and Publisher Company, 1475 Broadway, New York 18, N. Y. For weekly newspapers, you can refer to the *Directory of County and Suburban Home Town Newspapers*, published by the American Press Association, 225 West 39th St., New York 18, N. Y. For college newspapers—a neglected field—there is the *College Newspaper Rate & Reference Guide*, issued by the National Advertising Service, Inc., 420 Madison Ave., New York 17, N. Y. Another valuable publication covering these fields and magazines as well is N. W. Ayer & Son's *Directory of Newspapers and Periodicals* published by N. W. Ayer & Son, Inc., Philadelphia 6, Pa. This also contains state maps and brief descriptions of the principal types of industries in most cities.

Your organization's stake in good relations with newspapers is considerable. While radio and other new media have become great factors in molding public opinion, still timely and significant is the view of Thomas Jefferson: "Were it left to me to decide whether we should have a government without newspapers or newspapers without a government, I should not hesitate a moment to prefer the latter."

EDITORS' NOTE: For further information on this subject see Chapter XVIII, Part VII, "Publicity—A Tool of Public Relations."

### WIRE SERVICES

Interwoven with newspaper and radio news operations are the wire services. In relative order of size, the important ones are the Associated

Press, the United Press, and International News Service. They are keenly competitive, and all operate nationally and internationally.

The wire services have bureaus in principal cities around the country—sometimes several in a state, sometimes but one. In all other cities they rely on "correspondents" who usually are on the payroll of newspapers and who receive extra compensation from the wire services on a wordage-used basis. These "correspondents" usually telephone or teletype their stories to the wire services.

Except in such leading cities as Washington and New York, the wire services rely on newspapers for the bulk of their news, so that they are basically a medium for *exchange* of news which originates with newspapers. This wire service news flows by teletype into every daily newspaper of any importance. It also is rewritten by the wire services themselves for the ear instead of the eye, and transmitted over teletype circuits to radio stations. In the radio stations, newsroom employees assemble, rewrite, tailor, or rephrase the wire service stories to meet special needs, and obtain a sprinkling of local news, largely from the local newspaper. It is this blend which is the bulk of radio news broadcasts.

It is most important therefore from the standpoint of both newspaper and radio publicity to know the wire service offices which "cover" your territory, or the local or area newspapermen who are correspondents for the wire services. To a certain extent, wire services use the same general classifications as newspapers in accepting material, though to merit wire use, it generally must be of at least state-wide if not national interest.

### PICTURE AND FEATURE SYNDICATES

The public relations worker who is alert to picture and feature possibilities and who knows his markets can make effective use of the picture and feature syndicates. For them the photographs or stories must have outstanding news or feature value, and if used by a large syndicate, they may appear in newspapers all around the country. The photographs sometimes will show up in magazines also.

There are about 175 feature syndicates, including many which specialize in specific fields. The leading general syndicates and their headquarters addresses include:

1. The Associated Press, 50 Rockefeller Plaza, New York 20, N. Y.
2. Wide World Photos, Inc., an AP subsidiary at the same address  
(feature photographs only)

3. Acme Newspictures, Inc., 461 Eighth Ave., New York 1, N. Y.  
(photographs only)
4. International News Photos, 235 E. 45th St., New York 17, N. Y.  
(photographs only)
5. NEA Service, Inc., 1200 W. Third St., Cleveland 13, Ohio
6. Central Press Association, 234 E. 45th St., New York 17, N. Y.
7. King Features Syndicate, 235 E. 45th St., New York 17, N. Y.
8. Western Newspaper Union, 210 S. Desplaines St., Chicago 6,  
Ill., the giant of the weekly newspaper field.

Also there are the Bell Syndicate, United Feature Syndicate, and others which provide everything from comics to columnists to large numbers of newspapers. Science Service, Inc., is the largest syndicate in the science news field. For a complete picture of this complex field, it is best to study closely *Editor & Publisher's Annual Directory of Syndicated Features*.

In addition, there are numerous national syndicates which deal exclusively in pictures, largely for magazine and various advertising uses. They include:

1. Harris & Ewing Photographic Service, 17 E. 42nd St., New York 17, N. Y.
2. Black Star, 420 Lexington Ave., New York 17, N. Y.
3. Brown Brothers, 220 W. 42nd St., New York, N. Y.
4. Ewing Galloway, 420 Lexington Ave., New York 17, N. Y.
5. Graphic House, 149 E. 40th St., New York, N. Y.
6. Keystone Pictures, Inc., 219 E. 44th St., New York 7, N. Y.
7. Pix, Inc., 250 Park Ave., New York 17, N. Y.

At these picture syndicates—as well as at AP, Acme and INP—you can purchase at prices ranging generally from \$5 to \$10 almost any picture for advertising or public relations purposes. These agencies are glad to accept good "stock" pictures of a wide variety of subjects, ranging from industries to college campuses. The wise public relations worker will not overlook the opportunity to place such photographs with these agencies. Sometimes they'll be glad to visit your company and take their own pictures, giving due credit in the captions on all that they sell, and providing you with a courtesy set of the photographs for your own internal use.

## MAGAZINES

The magazine field is huge and intricate. It ranges from the giant *Reader's Digest* with an estimated monthly circulation of some 11,000,-

000 including various foreign-language editions, to special interest magazines with circulations as low as 1,000 copies or less.

In the top circulation group are a dozen or so, each with a circulation of 2,000,000 or more. There is another group of 70 to 80 magazines with circulations of at least 100,000. The leading publishers include the so-called "Big Five": Curtis with the *Ladies' Home Journal*, *Saturday Evening Post*, *Country Gentleman*, and *Holiday*; Time, Inc., with *Life*, *Fortune*, *Time*, and *Architectural Forum*; Hearst, with *Cosmopolitan*, *Harper's Bazaar*, *Good Housekeeping*, *House Beautiful*, and *Junior Bazaar*; Crowell-Collier, with *Collier's American*, and *Woman's Home Companion*, and McCall's with *Redbook* and *McCall's Magazine*. Also in the large category is the *Coronet* and *Esquire* group. In the highly specialized fields, almost every trade, profession, and hobby has its own magazines.

Some magazines are entirely staff-written, others draw heavily on free-lance contributors. Every one has its own individual format and audience, making it necessary to understand it intimately in order to know what type of material appeals to each. Another complicating factor is the physical difficulty of knowing and reaching the innumerable free-lance writers who contribute to many such magazines, although many of them read such publications as *Writer's Digest*, and *The Writer*.

#### Magazine Classifications

In making magazine lists for publicity purposes, two of the best sources are the publications of Standard Rate and Data Service, 333 North Michigan Ave., Chicago 1, Ill., and the previously mentioned N. W. Ayer & Son's *Directory of Newspapers and Periodicals*. In them will be found the following types of magazines, and many others:

1. General national publications—weeklies and monthlies
2. News weeklies
3. News picture magazines
4. Women's magazines
5. Home and gardening magazines
6. Fashion publications
7. College, teen-age, and juvenile magazines
8. Farm magazines
9. Business and financial magazines
10. Professional publications
11. Educational publications (An extensive directory of this field is *America's Educational Press*, issued by the Division of Publi-

- cations, National Education Association, 1201 Sixteenth St., NW., Washington 6, D. C.)
- 12. All types of trade publications
  - 13. House organs, internal and external (an extensive source list of these is *Printers' Ink Directory of House Organs*, Printers' Ink Publishing Co., 205 E. 42nd St., New York 17, N. Y. A leading professional magazine in this field is *Deadline*, published by the International Council of Industrial Editors, 40 East 49th St., New York 17, N. Y.)
  - 14. Club publications
  - 15. Sunday newspaper supplements.

Given sufficiently newsworthy material, you can sometimes obtain broad publication of a story in the newspaper field. The magazine field generally is more selective; there you must use a rifle instead of a well-aimed shotgun.

### NEWS-LETTERS AND SERVICES

One important news outlet usually overlooked is the news-letter. These fall generally into two groups: horizontal and vertical. Included in the first group would be the Washington letters which report on the relationships between politics and business on a national and international basis, and those letters which cover such broad fields as labor relations, foreign trade, agriculture, merchandising, and finance. The second group would include a long list of specialized news-letter services, weekly and monthly, which cover particular industries and professions, such as steel, textiles, chemicals, or dentistry and medicine.

All of these can also be broken down into three categories: those which concentrate on fast news; those doing largely an interpretative job; and some which undertake a combination of the two.

#### Special Approach to News-Letters

News-letters are usually published under a faster schedule than most business publications. Discover their publishing dates and allow the editor about three or four days leeway to handle material. Most of these letters are produced by multigraph or fast printing processes and urgent news can be used even within a few hours of press time.

The circulation of these news-letters ranges from a few thousand to more than a quarter of a million. But regardless of circulation most of them are potent factors in their field. They have a readership and a responsiveness not given to any other type of publication. Since sub-

scribers pay a relatively high subscription rate (anywhere from ten dollars to several hundred dollars a year), and use them as a business tool, their influence is far greater than might be suggested by their circulation.

Don't forget that practically all of these report or interpret situations which may have an impact on your business or industry. The editor should be provided with all of the background material having to do with your organization or field much as it would be furnished to the editorial writers of newspapers and business publications.

Differentiate sharply between the news releases and background material submitted to news-letters. Most of them are limited to four pages and their editorial content is highly condensed. All of them are staff written. Don't expect your releases to appear as you produce them. For example, the "Kiplinger Washington Letter" with a staff of a dozen trained reporters and editors is written in final form by Kiplinger himself.

*Public Relations News*, published by the editors of this book, can be an important outlet for news and case histories of your public relations activities. In addition to new methods and techniques the editors are interested in receiving samples of public relations literature, surveys, annual reports, indoctrination booklets, et cetera.

## RADIO

Pointing up the significance of radio as one of the newer public relations vehicles, there are 35,000,000 "radio homes" in the United States, or 97 percent of total homes, according to *Broadcasting Magazine's Yearbook*. As a sustaining public relations medium, radio broadcasting offers less opportunity and scope for publicity activities than do some of the other media. For *paid* programs of a public service nature, however, its opportunity is very great. Your community station or stations generally will be more interested in your organization than the high-powered, 50,000 watt clear channel stations. The exceptions are such activities as national appeals for the Red Cross and other charitable drives.

Reaching radio's millions is another thing. On the larger stations, you may provide a desirable speaker on a forum discussion, a woman's program, or some other broadcast which is open to guest speakers. A vacuum cleaner manufacturer such as The Hoover Company or the Association of American Nurserymen, for example, may issue a service type of material which calls attention to vacuum cleaners or nursery

products, but it is futile to expect the specific mention of your product by name on many occasions.

Sometimes you can arrange a special event which will merit a 15-minute or half-hour on-the-scene broadcast—but it must be good, and you'll have to make the arrangements weeks in advance. Occasionally a commentator can be interested in your organization's point of view, if your cause has sufficient merit, but this is the exception rather than the rule.

Some organizations have benefited considerably by popular songs, such as The Atchison, Topeka and Santa Fe, and United Fruit in the case of "Chiquita Banana," which started life as a commercial jingle. "Managua Nicaragua" is another song which must have gladdened some public relations man's heart. In addition to their wide audience over radio broadcasts, such songs frequently are played in individual homes. It is estimated that about 6,000,000 American homes are equipped to play phonograph records.

It is important to remember that radio largely is a personality medium. Unless your organization has a top official who is an outstanding personality, you have little to offer to the average big radio station.

You should already know the radio stations in which you might be interested, but if you don't, *Standard Rate and Data's Radio Section* will give you their addresses, power, frequency, network affiliation if any, and their paid rate cards, among other information. *Broadcasting's Yearbook* also will be helpful.

EDITORS' NOTE: For further information on this subject see Chapter XXV, Part VII, "Radio and Television in Public Relations."

## BOOKS

Another opportunity for the public relations worker is to build good will for his organization through use of books. The approximately 200 leading book houses issue about 90 percent of the books published in the United States. Doubleday & Co., Inc. is the largest in the field of trade or general publishing, followed by such companies as Macmillan, Pocket Books, William Wise, and Harper and Brothers. In the field of technical books approximately 25 percent are issued by McGraw-Hill, which also publishes many business and technical magazines.

Many books describing the history of an organization or industry are sponsored by the organization to be benefited. Sometimes this sponsorship is nominal, in that there is only an understanding that the organization may buy a certain number of copies of the book and dis-

tribute them to special friends. In other instances the author is paid directly by the sponsor—not by the publisher.

Sometimes such books are written by little-known writers, at other times, by people prominent in the writing field. An example of the latter was *The Metropolitan Life, a Study in Business Growth*, written by Marquis James, and favorably received by reviewers.

Even in cases where an organization does not commission a book and has no control over its contents, there is an increasing trend toward opening an organization's inactive files to the use of any competent author. The theory is that making the full facts available to a writer prevent speculation and misinformation which he might use in absence of facts. If you are assigned the task of preparing a company history, in either book or pamphlet form, one of the more informative, practical, articles on the subject is "Fourteen Points to Observe in Preparing Company History," an analysis of four commemorative books, in the Feb. 21, 1947 issue of *Printers' Ink*.

## FILMS

Films are a relatively new medium for the public relations worker and have developed rapidly in quality and effectiveness. There are two broad types, sound slide films and motion pictures. Sound slide films cost less and are effective for certain jobs, but with a general public which is accustomed to Hollywood production standards, they cannot do the work of a motion picture.

Some corporations, like General Electric, have their own motion picture sections. Others rely on independent producers, scattered in leading cities around the country. For every industrial film made in Hollywood, probably 50 are made elsewhere. But the popular, Hollywood film field should not be overlooked, because occasionally there can be a tie-in with a major film.

Before undertaking any activity in the business film field, it is essential to obtain a "feel" of this industry. Much can be learned by talking with persons who understand business films. It also would be valuable to study some back issues of *Business Screen* (157 E. Erie St., Chicago, Ill.), and to refer to an appraisal of the business film industry in the January 3 and January 31, 1947, issues of *Tide* (232 Madison Ave., N. Y. City).

Almost all film producers have their specialties. Some may be better on institutional films, others on sales training. Just as in any other field, it is advisable to do some shopping before you decide on a single producer. Some of the largest in the national field are:

1. Wilding Picture Productions, 385 Madison Ave., New York 17, N. Y. (also Chicago, Detroit, Cleveland, Hollywood)
2. Jam Handy Organization, 2821 East Grand Blvd., Detroit 11, Mich. (also Chicago, Dayton, Pittsburgh, New York, Los Angeles)
3. RKO-Pathé, 1270 Sixth Ave., New York, N. Y.
4. Sound Masters, 3010 Book Tower, Detroit 26, Mich. (also New York)
5. Audio Productions, 630 Ninth Ave., New York, N. Y.
6. Caravel Films, 730 Fifth Ave., New York, N. Y.
7. George Pal Productions, 1041 McCadden Place, Los Angeles, Calif.

Other business motion picture producers do fine work. Some of these are:

1. William J. Ganz Co., 40 East 49th St., New York, N. Y.
2. Pathescope Co. of America, Inc., 580 Fifth Ave., New York, N. Y.
3. The Calvin Co., 1105 East 15th St., Kansas City 6, Mo.
4. Jerry Fairbanks, Inc., 6052 Sunset Blvd., Hollywood 28, Calif.

Most of the larger firms also produce sound slide films as an associated activity. The majority of the companies which devote the major portion of their energies to sound slide films operate on a regional rather than on a national basis, but one of the exceptions is Vocafilm Corp., 424 Madison Ave., New York City.

The public relations uses of business films are considerable. They can be used to explain to wide or closely selected publics an entire industry, a specific company or organization, or a specific phase of an organization. A pharmaceutical company, for example, may employ one motion picture for the highly selective purpose of building good will with physicians, and another for enhancing acceptance with the general public. Some companies are utilizing motion pictures to replace or supplement plant "open houses" (planned public visits)—thus giving everyone a front and center seat, creating a minimum of interruption to production, and providing much broader latitude for institutional messages. Presentations of a company's research accomplishments, its labor policies, and its manufacturing methods are among other uses. One of the newest is the dramatization of a company's annual stockholders report in visual, easy-to-understand form to give economic facts to employees, as well as to those attending stockholders meetings. Films are regularly used for sales promotion, sales training, job training, employee relations, community relations, and other purposes.

### How Much Will It Cost?

Production costs vary widely, depending on the producer, type of technical presentation selected, length of the film, and the amount of use made of the picture. Final costs are analyzed on the basis of the number of persons viewing the picture.

The Association of National Advertisers, 285 Madison Ave., New York 17, N. Y., made in 1946 an exhaustive survey of business films, their uses and costs. It found, for example, that a series of five institutional movies, on 16 mm. color film, had production costs ranging between \$7,830 and \$19,600 per reel (a maximum of about 11 minutes), or a median of \$9,240. Much depends on the technical features—whether there is lip synchronization or narration, whether you use simple photography, animation, or costly three-dimensional animation. As a generalization, however, the average professional 20-minute institutional or public relations film can be produced to Hollywood standards for between \$20,000 and \$30,000, though a few productions run into six figures. An ANA sampling of a number of firms employing the specialized medium of black and white sound slide films showed production costs varying from \$1,530 to \$6,650, with a median value of \$2,840.

### Methods and Costs of Distribution

There are two principal methods of distribution—theatrical and non-theatrical. Institutional films are finding increased use in theaters, where the usual length is ten minutes. Some concerns make 20-minute motion pictures for showings to clubs and similar organizations, and have them edited to 10-minute length for theaters.

For non-theatrical distribution, your audiences are virtually unlimited. They include schools; PTA groups; church clubs; all types of women's clubs; groups such as Rotary, Kiwanis, Lions, Elks, and the American Legion; farm organizations such as Granges and 4-H clubs; Boy Scouts and other youth groups; community organizations; business associations such as advertising clubs and technical societies; and even factories and stores. Particularly promising, and a subject in itself, is the school movies field. Your audience in schools probably will average around 225 persons per showing, and in clubs, around 100 per showing.

Your first step, before doing anything about *production* of a film, is to make plans for *distribution*. Otherwise you may be wasting money. Failure to recognize this, the ANA study pointed out, may be like completing "an elaborate series of direct mail pieces only to find the post office cannot accept them."

The cost of distribution to theater audiences ranges from as low as \$3.50 per thousand persons to as high as \$14.00 per thousand, depending on the type of theater, and whether you desire a "network" presentation or wish to pick outlets individually.

### Distributing Agencies

Among the leading distributors to theaters are National Theatres Amusement Co., Inc., 1609 West Washington Blvd., Los Angeles, Calif.; General Screen Advertising, 400 North Michigan Ave., Chicago, Ill. (also New York); and Movie Advertising Bureau, 1032 Carondelet St., New Orleans, La. (also Chicago, New York, Kansas City).

Among the leaders in distribution of moving pictures to non-theatrical audiences are the Modern Talking Picture Service, Inc., 9 Rockefeller Plaza, New York 20, N. Y.; The YMCA Motion Picture Bureau, 347 Madison Ave., New York 17, N. Y. (also Chicago, Dallas, and San Francisco); and Castle Films, Inc., 30 Rockefeller Plaza, New York 20, N. Y. Costs vary, but generally average around \$10.00 per thousand viewers.

One large corporation avoids paying for distribution by placing prints in 60 film libraries—largely in schools and colleges, but including some public libraries—around the country. The company compiled its list of film libraries from various sources, including *Educational Associations and Directories*, published by the U. S. Office of Education at Washington, D. C.; *Victor Animatograph Directory*, published by the Victor Animatograph Corp., Davenport, Ia.; and *Educational Screen Directory*, published by *Educational Screen*, 61 East Lake St., Chicago, Ill. The corporation contends its free-distribution plan has surpassed the audience results per print obtained by two large national distributors, and that it cannot begin to keep up with the demand for prints of its pictures.

Whatever you do in the field of motion pictures, it is vital to remember that the tool is a complex one, and that standards must be high. Films, if properly used, can bring results of great magnitude.

EDITORS' NOTE: For further information on this subject, see Chapter XXIV, Part VII, "How To Use Audio-Visuals in Public Relations."

### STOCKHOLDER RELATIONS LITERATURE

One activity in a corporate public relations field is the company's stockholder relations program. This ranges from the extreme of sending only an uninteresting, unillustrated annual report and a proxy state-

ment to the stockholder, to a maximum of many types of literature and to regional stockholders' meetings which give everybody a chance to meet some of the executives who are running the investor's company. Among the leaders in the regional meeting field are General Mills, Inc., Penn Mutual Life Insurance Company, Belden Manufacturing Company and the Pepsi-Cola Company.

In cooperation with the Association of National Advertisers and *The Journal of Capital*, the Verne Burnett organization recently conducted a stockholder relations survey of the practices of representative companies in the United States. Here were some of our findings from the 100 respondent companies in many types of business, with a total of 3,500,000 stockholders:

1. *Three out of four* of the companies have definitely assigned an official or department to supervise stockholder relations.
2. *All respondents* distribute the company annual report to others besides stockholders, but only 19 give it to the employees. More than a score of other classes and organizations were named. In relative order of mention, the groups receiving the report in addition to stockholders are:
  - a. Banks and bankers
  - b. Brokers, investment houses, counselors
  - c. News, financial and trade publications
  - d. "Requests"
  - e. Customers, distributors, suppliers
  - f. Educators or educational institutions
  - g. Community leaders, clergy
  - h. Employees, supervisory employees, executives
  - i. Public libraries
  - j. Executives of leading companies
  - k. Statistical agencies
  - l. Public officials
  - m. Other companies in same industry
  - n. Insurance companies
  - o. Business acquaintances of executives
  - p. Farm and labor organizations
  - q. Trade organizations
  - r. Stock exchanges, members
  - s. Government agencies, SEC, ICC
  - t. Advertising agencies
  - u. One mention each for creditors, credit organizations, credit opinion makers, members of underwriting group,

radio talent, public relations directors, prospects, schools of business administration, and controller institutions.

Your own company's list of important people who should receive your annual report might be expanded by using some of the foregoing as a guide.

3. About half of the respondent companies enclose printed leaflets or other material with dividends regularly, and another quarter do so occasionally. There is a definite trend toward increased use of dividend enclosures, which require no addressing of their own and usually no extra postage. Such enclosures can bring the stockholders news about the business or a special message from the management.
4. Aside from the annual report and dividend enclosures, 66 of the 100 companies mail other printed material regularly or on occasion to stockholders. Here are the types of material, in relative order of mention:
  - a. Letters regarding company developments, plant additions, court decisions, etc.
  - b. Company magazine
  - c. Company and institutional booklets
  - d. Special announcements
  - e. Employee booklets, labor relations
  - f. Report of stockholder meeting
  - g. Quarterly reports
  - h. Proxy material
  - i. Semi-annual report of earnings
  - j. New products
  - k. Dividend declaration
  - l. Special meetings
  - m. Advertisements
  - n. News-letters
  - o. Anniversary
  - p. Refinancing
  - q. Calendars
  - r. Speeches
  - s. Pictorial reports
  - t. Miscellaneous.

This list can serve as a check list for your own company's stockholder relations program.

5. Another important function of progressive stockholder relations program is the "welcome" and "regret" letter. About half

of the companies surveyed use welcome letters to new stockholders to help make the investor feel a part of the organization, and to induce him to be a booster for the company. Only 12 of the companies, however, used letters of regret to stockholders who have relinquished their holdings. Interestingly enough, only 12 of the 100 respondents had surveyed any or all of their stockholders as individuals by mailed questionnaires or personal interviews, to obtain factual or opinion information from stockholders. Much has been accomplished in the stockholder relations field, but much remains to be done.

EDITORS' NOTE: For further information on this subject see Chapter XII, Part III, "Stockholders in the Corporate Family."

### TELEVISION AND FACSIMILE

New tools and new techniques are constantly appearing. Television and facsimile, for example, may prove to be important outlets for paid advertising and for other types of publicity. The industry has been expanding so rapidly that at four viewers per set—an average indicated by surveys—you must think of coming television audiences in terms of rapidly-growing millions.

Since television is so new, its full potentialities are relatively uncharted. Even so, it is obvious that a knowledge of visual presentation must be added to an acquaintance with types of suitable material, time schedules, program preferences, and the like to achieve success in this activity. From a programming standpoint, television is a visual medium and may be considered more closely allied with sound moving pictures than with radio.

Let us say that an organization engaged in a controversy is represented by one of its officials on a televised round table. That official must be able to make a good impression by his appearance as well as by his views and ability to take care of himself in debate—the chief criterion now on a similar radio program. Television will bring the public constant visual impressions of its leaders, whether in business, government, or educational fields.

Television has various "if's," such as: How long will housewives be willing to sit and watch a television screen in the daytime? Will the average pair of eyes be willing to watch a television screen as long as the average pair of ears will listen to the customary type of radio broadcast? How will television produce the immense amount of program material that it will need? Yet it seems likely that fashions, interior

decorating, and cooking schools will be among the popular programs, along with news events, discussions, sports, and dramatic shows. It may be that here will be an excellent field for showing of properly-produced business films on sponsored programs.

#### Facsimile—A Potential Tool

Already facsimile newspapers are a fact, and four-color facsimile has been developed. It is possible that an individual organization or company could buy facsimile time in order to present a daily sponsored edition of news of general interest having some mention of news in which a sponsor is particularly interested. On the other hand, this might create questions as to the impartiality of such news presentations.

The speed of facsimile will necessitate special planning and handling of material for it, since it closes up some of the mechanical time-gap from the moment the average newspaper goes to press until it reaches the reader. Yet there remains a question: Is there sufficient advantage in reducing this time-gap to induce the average listener to buy a facsimile receiver, replace paper rolls, etc.? Time holds the answer, but whatever the eventual verdict, it appears that facsimile will have definite applications for businesses in their operations, and for transmitting newspapers to listeners, especially in remote areas.

### COMPANY PUBLICATIONS AND EMPLOYEE HANDBOOKS

The most popular medium of communication with employees is an organization's company publication. The total monthly circulation of such house organs is estimated as high as 50,000,000. Some such publications are circulated exclusively within an organization, and are called "internal" magazines. Some are "combination" magazines circulated to dealers or customers as well. Others, published exclusively for dealers or customers, are called "external" magazines.

The company publication is important in building organizational "family spirit." It serves as a common meeting ground of management and employees. To a growing extent, employee magazines are being used to win employees' understanding of management plans and problems, and to tell employees more about the company and themselves.

Surveys of employees have shown virtually without exception that workers desire more information about their own organizations. In general, they are interested in more articles by executives on company policies; stories on new plants and products; financial reports, when provided in non-technical terms; the manufacture and use of company

products; who makes the company run, and how; management's problems; manufacturing processes and research, and special items.

Another popular management publication is the employee handbook. The basic idea is to explain to workers, in terms of self-interest, why the company is a good place in which to work; what it is and what it does; the desirability of living up to the company's policies and principles; and to provide the employee with helpful, handy information, creating employee good will and lessening confusion. In employee handbooks, the trend is away from the dry presentations, stuffed with self-praise and full of do's and don'ts. The same material is being provided in more attractive ways, achieving a better selling job. More and more, the accent is on the "you" rather than the "boss."

The Policyholders Service Bureau of the Metropolitan Life Insurance Co., One Madison Ave., New York 10, N. Y., has issued several outstanding publications in these fields. They are free, and the titles include "Employee Magazines," "Contents of 325 Employee Magazines," "Telling Employees About Their Company," and "Information Manuals for Employees." Another helpful work in this field is "Publications Issued to Employees," by the Association of National Advertisers, Inc., 285 Madison Avenue, New York 17, N. Y. *Public Relations News* carries weekly reports on good examples and new trends in company publications and employee handbooks.

EDITORS' NOTE: For further information on this subject see Chapter XXII, Part VII, "Company Publications" and Chapter IX, Part III, "How To Build Better Relations with Employees."

### MISCELLANEOUS PRINTED MATERIAL

A large field is covered by the booklets, leaflets, posters, calendars, and other printed public relations material issued by organizations. This literature can be, and is, used for an almost countless variety of purposes. Even a listing of the broadest possibilities would require many hundreds of words. Indeed, whatever an organization's problem, a booklet or some other printed material can be issued to help meet it. The field is about as wide as the number of problems involved in successfully operating a modern business.

The Market Research Department of Edward Stern & Co., Inc., printers, Sixth and Cherry Sts., Philadelphia 6, Pa., has been studying executives' preferences in industrial literature. The findings are many and detailed, but here are a few of the principal ones applicable directly to the public relations field:

1. The standard 8½" x 11" size is preferred by most executives. Among other things, it permits good display, yet is easy to file.
2. Photographic reproductions are favored by 79 percent of executives unless copy or subject matter particularly calls for special art treatment (and there are exceptions, of course).
3. In general, 73 percent of the executives polled prefer fewer large illustrations to a greater number of smaller ones.
4. Only 50 percent of the executives themselves see the envelopes in which mail is received, but 33 percent of the total interviewed said they give greater or more prompt attention to first class mail. And although only 32 percent read all their mail, 86 percent at least glance at each piece before discarding it, which emphasizes the importance of high quality standards.
5. On the subject of calendars, there was overwhelming preference among executives for the 12-leaf type with three months to a leaf (previous, current, and succeeding months). Also a calendar with a new illustration for each month has the edge over the type which uses a single illustration for an entire year. Sixty percent want their calendars larger than 9" x 12", while 29 percent favor the 8½" x 11" to 9" x 12" range.

Whatever your organization does along these lines, remember the advantages of good typography and fine printing in both improving readership and in creating favorable impressions for your organization.

**EDITORS' NOTE:** For further information on this subject see Chapter XXIX, Part VII, "How to Prepare Public Relations Reports and Pamphlets."

### EDUCATIONAL COMICS

A relatively new public relations tool is the use of educational comics. Terming the comics "a great new medium of communication," *The Journal of Educational Sociology* declares: "We are but beginning to feel their impact. Their potentialities as a social force are tremendous. As with radio, it behooves us to understand the comics, evaluate them, learn to live with them, use them as a medium of communication." Their importance is pointed up by surveys which show that comic strips in newspapers are read by a majority of adults and children, and that about half of the adults read comic books brought into the home by children.

Educational comics are utilized by many types of groups, ranging from the American Bankers Association (such as its 16-page color booklet, "Peter Penny and His Magic Dollar," showing the important

things banks do) to the C.I.O. (such as its 16-page booklet, "The Case of the Vanishing Paycheck," with characters labeled "Johnny Poore" and "Mr. Rich"). The list of organizations using educational comics is long and impressive; the uses vary from helping explain management's idea of the economic facts of life to employees, to popularizing electric utilities to the public at large through the little gentleman called "Reddy Kilowatt."

Several concerns are prominent in the production of comics for public relations purposes. One of the pioneers is Educational Comics, 225 Lafayette St., New York 12, N. Y.

If you wish to employ leading free-lance artists for educational or other types of illustrations, one of the foremost agents in the field is Fred A. Wish, Inc., 12 E. 41st St., New York 17, N. Y. Many nationally-known comic strip artists work through him.

## LETTERS

No organization should overlook the importance of courteous, friendly letters. In many cases letters represent the only contact members of the public ever will have with an organization, and the only basis on which to form an impression. Each letter is an opportunity—captured or lost.

Here is an excerpt from a letter which a leading partner of a world-famous banking firm, known for its good public relations, wrote to an "average man" who sought a business appointment: "I shall be glad to sit down with you some time in the near future but, as I returned just yesterday from a three weeks' absence in the South and have to go to Chicago on Wednesday, I suggest that the matter be deferred until some day next week."

This banker created a long-lasting air of friendliness for his firm and himself by being specific in using such phrases as "in the South" and "to Chicago," though the letter went to a stranger who was not particularly important in a business sense. The banker's letter breathed confidence in the recipient, yet it did not divulge private business details.

One company which reports success in improving its letters is The Mutual Life Insurance Company of New York. As the company relates the story:

"About five years ago, when we conducted the first of a series of opinion surveys, we were embarrassed to discover that many Mutual Life policyholders were dissatisfied with correspondence from the company. They felt our letters were too formal and technical. They also

considered our printed forms too complicated. We tried to remedy the situation without delay. We engaged a professional correspondence consultant, who helped us prepare manuals containing more than 2,000 'guide' letters which were carefully streamlined and phrased in cordial simple language. These were not *form* letters but were patterns intended to set the tone and style of all correspondence. Letter clinics were established, and meetings are conducted regularly in every department to improve letter-writing techniques. Time controls detect bottlenecks, correct them and speed up replies. Printed forms are reviewed continuously and have been greatly simplified. As a result of this program and other improvements in our operations, complaints have been reduced 90 percent!"

Organizations which receive large numbers of letters from the public-at-large often establish special departments or designate special people to handle the replies. Letters to new and erstwhile stockholders are an important segment of this communications field.

#### Use of Form Letters

Often form letters can be established or adapted to cover most inquiries, but in employing them there is no substitute for intelligence. Many years ago, a passenger on an overnight railroad trip discovered there were uninvited occupants crawling in his berth. He wrote a letter of complaint.

By return mail he received a masterpiece of apology, beautifully typed on engraved stationery and personally signed by the railroad president. The passenger was much impressed—until he noted that his own letter had been enclosed by mistake, and on it were scrawled the words: "Send the grouch the bedbug letter."

The story may be apocryphal, but "canned" or "stock" letters of reply, especially those carelessly sent, have long been known as "bedbug letters." Some intelligent employee might well monitor every business letter leaving the office.

Alert public relations men frequently make good publicity use of letters to the editor. The best type is the kind which comments and expands on some editorial or article which already has appeared in the specific publication. The C.I.O. has developed this technique extensively.

One more thought: How long has it been since your letterhead was modernized? It is an integral part of the impressions your letters create. It can be brought up to date typographically to help establish the im-

pression that your organization is as modern as the times, while retaining your basic theme, whether it be dignity or informality.

### THE SPOKEN WORD

With all the tools available to the public relations worker, there still is no perfect substitute for direct contact. For this reason, full utilization of the spoken word is essential to the success of any well-rounded public relations program.

As companies have grown larger and larger through the years, the chasm between management and the employee has widened, creating costly controversy and disunity. Progressive companies, therefore, are turning with increasing frequency to such personal contact devices as employee meetings at which company policies are explained and workers have an opportunity to ask questions of a management. Whether the audience be employees, stockholders, dealers, or some outside public group, the benefits of such meetings are tremendous when the executives know their story, can tell it in convincing fashion, and are capable of answering any and all questions. A lecture alone, usually isn't half as effective as a meeting which includes a question-answer period.

A number of large organizations have organized speakers' bureaus to arrange responses to frequent requests for speakers at clubs, professional groups, schools, and the like, and to suggest appearances before certain organizations. Some companies employ top-management officials in this personal appearance activity, while others establish special officials for this purpose, with the assignment of developing good relations for an organization.

#### Training Executives and Employees

Equally important word-of-mouth public relations activities include such matters as public relations training classes for executives and employees; supervisory training courses; press conferences in the newspaper field; and a frequently neglected activity—use of the telephone.

Sometimes telephone contacts are about the only means by which an outsider forms his impression of an organization. If operators and other employees are courteous and intelligent, this pays off in better public relations for any organization. Your own telephone company is co-operative on this subject. The New York Telephone Company, for example, will assist (without charge) in training your operators, and has a number of helpful instruction booklets for such purposes, includ-

ing "Your Company's Voice," "The Voice with a Smile," and "You and Your Telephone." If you are not familiar with the telephone company public relations services, now's the time to inquire!

And, speaking of courtesy, have you ever sought to determine what your visitors think of your receptionist or receptionists? They, too, can be a large factor in building favorable impressions of and for an organization. The words your salesmen are trained to say have far-reaching influence too.

The subject of the spoken word overlaps with other fields such as use of the radio and what people say about your products, prices, and policies. It brings up a basic fact about public relations—that what you are inside your organization eventually is reflected in what people think and say about you.

EDITORS' NOTE: For further information on the subject see Chapter XXX, Part VII, "Teaching Public Relations to Executives and Employees."

## SUMMARY

Public relations, which might be called human relations, reaches into all human activity in which one person deals with another.

While we have outlined key facts about many public relations tools and media, new and old, the enterprising public relations worker may utilize *every* means of communication, from the spoken word to the written word, and through his specialized training and judgment grasp which tool and medium is most effective to meet the individual problem.

Once more, I would like to emphasize this point: while anyone can attempt to employ these tools, only the trained public relations worker knows enough about them to use them with skill and effectiveness. In the wrong hands, they can boomerang; in the right hands, they provide a golden opportunity.

*Part VII*

COMMUNICATION  
CHANNELS AND  
PUBLIC RELATIONS  
TECHNIQUES



PUBLICITY—A TOOL  
OF PUBLIC  
RELATIONS

BY JOS. W. HICKS  
President,  
The Jos. W. Hicks Organization

XVIII

**P**UBLICITY IS PERHAPS THE most versatile tool of public relations. It is a natural ally of advertising, direct mail campaigns, radio programs, speakers' bureaus, etc., and it is a quick and effective method of getting a message before the public. It may take the form of a news story, a magazine article, a radio news commentary, a newsreel, a message flashed by a moving electric sign, or many another guise.

For the purpose of this chapter, let us consider publicity in its practical sense, which is primarily getting somebody's or something's name mentioned in the news columns of newspapers and magazines, on the radio or in the newsreels. Sometimes it promotes a basic idea without mentioning any name or trade mark.

If we are going to consider publicity as a tool of public relations, however, we must add the word "favorably" to this conception. Pub-

licity can be a powerful boomerang, and unless the mention is favorable, and in keeping with the impression you want to make on the public, it might well be said that "no news is good news."

### Define Your Publicity Objectives

When you assume publicity responsibility for a person, an organization, or a product (which, for convenience, I shall hereafter refer to as the "client"), the first thing to do is to ask yourself three questions:

1. What does the client want the public to know about himself, his activities, or his products or services?
2. In what news about them is the public going to be interested?
3. How can publicity serve both?

If the answers to these three questions should all be the same, you have fallen into the kind of assignment every publicity man dreams about. However, if you can merely strike a good compromise you are lucky.

Your client must give you the answers to question one. The answers to question three must be found through survey and in your own good judgment as you interpret your client's aims and weigh them against your knowledge of public reaction. The answer to the second question is in the newspapers, magazines and radio broadcasts to which you wish to direct your publicity efforts. An intelligent analysis of their contents and treatment will tell you what their interests will be in connection with your client, or what possibilities you might explore with reasonable assurance of results.

It is upon your answers to these three questions and your ability to develop publicity based on them that your success depends.

### Evaluate Publicity Objectively

Publicity can be a constructive, reconstructive or destructive force. It is the public relations man's responsibility to guide it into the first two channels, whether he be serving as his own publicity man or as the head of a large public relations department with a number of publicity people under his supervision. This may mean that he may sometimes have to tell his client frankly that the client's own "wonderful publicity idea" is inadvisable, impractical or even downright dangerous. If there is any breadwinning activity in the world in which a person can be a "no" man and still eat, it should be the public relations profession.

In his operations, the publicity man must regard himself as a man with two bosses. There is his client . . . and there is the city editor or another point of critical acceptance or rejection. For the good publicity

man actually operates as an extension of the reportorial staff of the newspapers, magazines or other media concerned, and his activities are conducted in such a way that they are a service to the media he wishes to reach.

### The Publicist's Qualifications

The qualifications of a good publicity man, therefore, are the same qualifications you would look for in a good reporter, plus a feeling for policy and a good knowledge of public reaction. He also has to be something of a diplomat. As liaison agent between his client and the press, he is often called upon to explain his client's position to members of the press, perhaps in off-the-record conferences, and he is just as often called upon to explain the press' requirements to the client.

This presupposes a knowledge of how newspapers, press services, magazines and radio newsrooms operate, plus the ability to write an acceptable news or feature story. It is easy to see, therefore, why so many publicity people got their training in the newspaper field.

### How To Prepare Publicity Material

The question of preparation of publicity material brings us to consideration of such matters as neatness and convenience as well as literary style. Every good publicity man knows, for instance, that a release should be typewritten or mimeographed on one side of the sheet only . . . that it should be double or triple spaced for convenience in reading and editing . . . and that it should clearly indicate the person or organization from which it comes.

It is advisable to start the release halfway down on the page, the theory being that if it is written so that it can be printed with only minor editings, the editor will have room to write a headline above the story.

### Timing the Release

Somewhere in a conspicuous position on the sheet should be a specific statement as to when the information is released for publication.

Publication schedules should always be remembered in the planning of publicity. Try to give editors ample time in which to handle your copy. Remember that publicity intended for morning papers should arrive if possible not later than the early afternoon prior to the date of publication. It's best to get releases to afternoon papers on the afternoon prior to release date or at the latest before noon on the day of publication. For Sunday papers several days should be allowed. Some of

the larger metropolitan papers want copy for their feature sections as much as a week in advance. All except the most important spot news should reach Sunday papers not later than Friday.

Probably every person in publicity has his or her own personal theory about when a story has the best chance of getting a break. I personally am inclined to favor mailing Thursday or Friday for Monday publication, when it is possible to have the facts that far in advance.

At some time or other every publicity person has had a carefully

<b>HOLD FOR RELEASE</b> <b>SUNDAY MORNING, NOVEMBER 18, 1945</b>	<b>General Mills, Inc. Department of Public Services 400 South Fourth Street Minneapolis 15, Minnesota</b>  <b>For additional information, please call Abbott Washburn - Atlantic 1144. Ext. 468</b>  <b>November 14, 1945</b>
<u>MINNEAPOLIS PLANT PLAYED ROLE</u> <u>IN DEVELOPING NAVY "HEDGEHOG".</u>	
<u>General Mills Mechanical Plant Sole Producer of</u> <u>Fire Control Mechanism for Secret Weapon</u>	
<b>(WHAT)</b>	The fire control instruments -- or "mechanical brains" -- of the "hedgehog," recently revealed as the Navy's most effective weapon against Nazi
<b>(WHERE)</b>	submarines, were designed and manufactured in the Minneapolis mechanical plant
<b>(WHEN)</b>	of General Mills, it was disclosed today by Harry A. Bullis, company president
<b>(WHO)</b>	"The project had an A-1 priority and was so secret that only a handful
<b>(HOW)</b>	of the 150 precision instrument builders who worked on it knew what they were making," Bullis said, "but the Navy Department has now granted permission to release the story."
<b>(WHY)</b>	The intricate fire control instruments produced at the mechanical plant, it was explained, automatically enable the "hedgehog" to keep its 24 rocket projectiles trained on the target regardless of the roll and direction of the ship or movement of the enemy sub.
<b>- MORE -</b>	

FIGURE 14.—MODEL PRESS RELEASE BY GENERAL MILLS SHOWING IN THE LEAD THE WHAT, WHERE, WHEN, WHO, HOW AND WHY OF THE STORY.

planned publicity effort spoiled by a fire, wreck or other disaster. One of my friends, for instance, had gone to considerable lengths to arrange a picture-taking stunt on the Sunday a building blew up in Chicago's Loop. Photographers from all the papers were present and ready to take pictures of her client when the calls began to come in from their papers. Within a few minutes only one man was left. My friend looked at him, drew a deep breath and turned to the telephone. She dialed his paper and when she got the city desk said, "I suppose you are looking for your photographer?" And when the editor assured her that he certainly was but hadn't known where to find him, she said resignedly, "I'll send him right over." That one stunt may have been ruined, but her action did more for her public relations . . . and those of her client . . . than any space she might have gotten from the pictures.

### Don't Play Favorites

It is politic, of course, to try to stagger releases so afternoon and morning papers get about equal breaks. There is a question of ethics involved, however. We handle a great deal of financial news, and since stockholders meetings are customarily held in the afternoon, dividend declarations, news of refinancing and other corporate activities invariably break for the morning papers. On spot news of this type we feel that we have the reportorial responsibility of getting the news to the public as quickly as possible, which usually means breaking it for the morning papers.

We do try to cooperate with the financial editors of afternoon papers insofar as we can, however, by giving them a break on news that has no special timeliness and can therefore be legitimately held over a few hours. We also help them develop special feature stories.

### Publicity at the Local Level

When you have news concerning plants or operations in other communities, it is well to plan to give the local newspapers an edge over national release. Information of this type, incidentally, is the sort of news you might release through the local plant manager rather than directly from the headquarters office.

Another thing to keep in mind in connection with such plant community news is that the papers in the local area will want more details than you will include in a national release.

I have put so much emphasis on the news release, because it is the backbone of most publicity programs. It is the most efficient method of reaching many media at once.

### Channels of Communication

There are about 1,700 daily newspapers and 10,000 weeklies in this country. There are more than 900 radio stations, all with regular news programs, and approximately 800 radio commentators. There are 400 newspaper columnists, and 4,000 magazines, including all types of trade and technical publications. There are also press services and feature syndicates, including the comics. Class magazines use only staff-written material or purchased features, and syndicate material is likewise prepared on assignment or purchased from free-lancers. The rest of these media can be reached through the proper type of news release.

### Serve Media with News They Want

An intelligent study and analysis of the news interests of the media in which you are interested will reveal the proper type of news release for each group.

*The press services and newspapers* want their news immediately . . . before it happens, if possible.

*The regular radio news programs* are prepared from material taken from the wires of the press services.

*The regular news commentators* are interested in background material that will help them in their commentaries . . . especially if it is material exclusive to them.

*The gossip columnists* are another "exclusive" group, of course. No gossip columnist is going to use anything he thinks anybody else has.

*The trade publication* is interested in almost anything about organizations in its field and it will also use many more details than publications of general interest. Trade publications are also grateful for pictures. They often use your news releases word for word, as you send them out.

Except in the trade publication field, your releases are seldom used exactly as they are sent out, and that is something you may have to make clear to your client. The old adage, "You can lead a horse to water, but you cannot make him drink," was never more true than in the publicity business. You can make material available to an editor but you cannot make him use it . . . nor can you dictate how it should be treated if he does use it.

*Class magazines and syndicates* must be approached on an individual basis. In the case of magazines, the most direct approach is to write or talk to the editor or departmental editor concerned with your type of subject matter and ask him if he would be interested in a story on your

client. Or you may know free-lance writers able to prepare such an article and get it accepted because of their relations with the magazines. With syndicates, the contact should be with the author of the feature in which you are interested.

Comics are an important publicity medium, if you can crack them. When you consider that *Superman*, for instance, has a world-wide weekly circulation of twenty-five million you can see that the influence of comics might be more potent than you would at first imagine.

### Stimulating Feature Stories

The importance of interesting editors, reporters and feature writers in developing their own stories about your client cannot be overestimated. However, you must first be sure of cooperation from your client. You may have to warn him that once the big guns of research are trained on him by such magazines as *Life* or the *Saturday Evening Post* he may wish he had never heard of the word "publicity."

Once you are sure your client will stand bravely in the white light of research, you may contact the magazines or syndicates in which you are interested and try to sell them the idea of doing a story about him. If they decide to do so, it will be your responsibility to assist them in obtaining the information, interviews and pictures they want in developing their stories.

### Meeting the Press

Having the client meet the press is another activity which may call for a little client-training, for there again he will probably be on the spot—and with a number of members of the press shooting questions at him instead of just one or two. The success of such meetings depends in large measure upon his ability to answer questions, and upon his charm and patience.

The press meeting may range from a brief interview in time of emergency when the client may be in the news for some reason or other; to a luncheon, dinner or cocktail party when it is used as a way of getting members of the press acquainted with the client or as an announcement party for a new project or product.

The most successful press parties we have ever had, have been those at which we did not give out stories but invited the press because the client wanted to entertain them in a purely social way.

The most successful press conferences—and I direct your attention to the difference between a press party and a press conference—were those arranged at times when the press was at work and representatives

could come, meet with the client, get their stories, and get back to their papers without being delayed, and neither drink nor tidbit was served.

#### Limitation of Entertainment

Contrary to many people's opinion, a newspaperman is not always thirsty, and I have seen some very good publicity possibilities exploded and some friendships strained in the belief that a reporter can be bought with a bottle.

One time we had a new client who had been experiencing difficulties over a long period in having news material accepted. Then one day we handled a story for him that got beautiful column-eight, top-headline position and the client insisted that we send the editor a bottle of Scotch. I remonstrated, saying I knew the editor too well to do a thing like that, but the client insisted and finally the bottle was sent over—and sent back by the same messenger with a terse telephone call in between. "Joe," the editor said, "don't strain our friendship with a stunt like that again. I handled your client's story in the way I did, not because it came from your office nor because we have not been able to give him a break before. I handled it that way because it was the best news story of the day and rated that kind of position."

That was one time I should have followed the advice I gave earlier in this chapter and stuck to my guns as a "no" man in spite of all the client's urgings.

I know another editor who is always conspicuous by his absence at press parties, particularly the ones held after five o'clock. He will go to a luncheon meeting, and he will take a cocktail, but he will bawl you out for inviting him to a cocktail press party, or even for having one, after five o'clock. He says: "My boss pays me to put in so many hours during the day to handle my job, but he does not pay me to leave my family and go around nights drinking just to get a handout on a story."

#### Be Frank about Unfavorable News

And now a word about emergencies. They can happen to anybody—or to any client. And when they do happen the publicity man is right in the line of fire. Emergencies call for all the diplomacy and policy sense the publicity man has. However, there is this to give him courage. The press, 99 times out of 100, will shoot squarely with a square shooter. It will be incredibly cooperative with the publicity man who is always available to tell it his client's views, even when on occasion he may have to say, "Sorry, boys, no statement available now." The press will not, however, forgive the man it cannot reach or the publicity rep-

representative who offers it evasions or obvious untruths. And the client suffers accordingly.

### Mutual Confidence Is Essential

With regard to the off-the-record statement, the publicity man must be absolutely sure of his facts and of the reporter to whom he makes it. Again, 99 times out of 100—I could almost say 999 times out of 1,000—the confidence you place in a reporter when you make an off-the-record statement is unbroken. And there are times when circumstances may force you to make such an unofficial statement or admission.

You *can* trust newspapermen. You *must* trust them, and *show* them trust, if you are to work successfully with them. Remember they must trust you too.

You never need feel apologetic when you ask an editor to use a piece of publicity about your client. If it is the kind of news he wants, you are doing him a service in helping him get it. If it is not, he will merely say he can't use it and you both can forget it.

Much is sometimes said about "contacts." Certainly it is necessary to know your way around in the media field, and friends can help you in this respect. However, the publicity man who relies on the favors of his friends to get space for his client will soon find himself without the favors—and without the friends too. The editor prints news for one reason only; because it serves his readers.

### Creating News for Publicity Purposes

Up to now I have been talking chiefly about recognition of and release of news about a client. However, it is often possible to make news about him when there is none available in the natural course of events. Made news has many ramifications. At one extreme, movie publicity men have sometimes been accused of having actress' jewels "stolen" for publicity purposes. More sedately, a prominent manufacturer may make a speech before some civic group, primarily to have his name and a summary of what he said appear in print. There are many other forms of made news. For instance, men who make fountain pens that write under water do not fly airplanes around the world solely for the pleasure of viewing the surface of the earth.

Endurance contests ranging from dance marathons to flagpole sitting have been used as bids for publicity, usually with some commercial tie-in but occasionally just because the exhibitionist who is in all of us came out particularly strongly in some individual.

### Use of Pictures in "Made" News

Made news often falls into the category of stunt publicity, and more often than not, is based on pictures.

Steve Hannagan built Miami Beach as a winter resort with pictures that had varying news value, but always included pretty girls in bathing suits. He has done the same kind of job for Sun Valley, this time principally through the use of celebrity photos, although the standard pictures of beauties have also helped build the idea of a winter sports paradise.

The food shortage during the war did not affect the supply of "cheesecake," which is what pictures of scantily clad damsels are called. Publicity men kept right on releasing them to publicize everything from night clubs to oranges. And, corny or not, the picture editors kept right on using them, as they always will, the degree of cheesecake depending upon the editor and the tastes of his readers.

### The "Three B's" of Publicity

Editors also like pictures of children and animals—as who doesn't—and hence the "three B's" of picture publicity, namely, beauties, babies and beasts.

Since all large papers today have their own photographers, the routine procedure in setting up a picture stunt is to send a memo to the picture editors, asking them to send a photographer to cover. In any case, however, you will want to have your own photographer there to take any pictures you want for other purposes; and to take pictures you can supply to the papers and picture services that do not cover.

Recently the front page of the sports section of the *Chicago Tribune* carried a picture of the grounds keepers getting Wrigley Field ready for the opening of the baseball season. In the background was the prettiest reproduction you ever saw of a Baby Ruth sign on the roof of an apartment building across the street.

I had at least a dozen phone calls from people who knew that I handle the Curtiss Candy Company account to congratulate me on arranging such a fine piece of publicity for Curtiss' best-known candy bar. I wish by all that is right and holy that I could honestly have taken credit for it, but the most I could have done would have been to thank the picture editor for not air-brushing the sign out of the picture. I was afraid to do even this for fear that the picture might be too closely scrutinized the next time and that such a commercial reference would be air-brushed or cropped out.

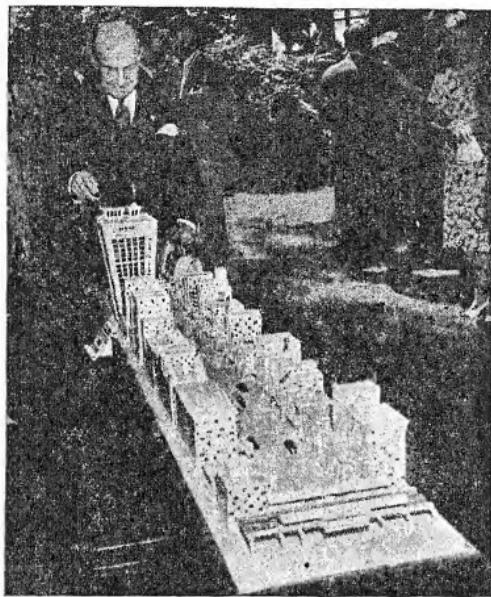
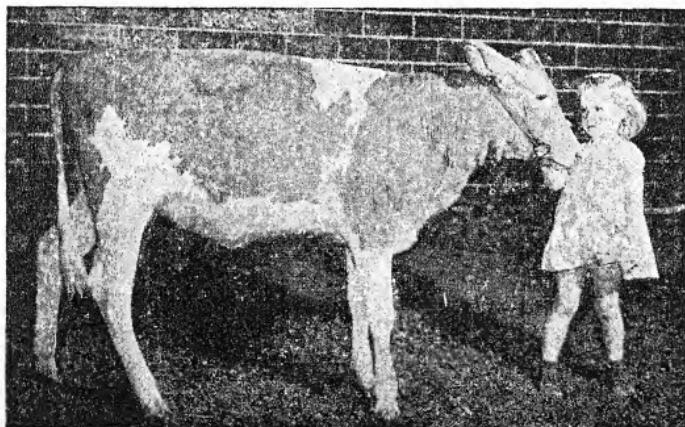


FIGURE 15.—(TOP) HENRY C. LYTTON, CHICAGO DEPARTMENT STORE FOUNDER, CUTTING AN ELABORATE CAKE ON HIS 100TH BIRTHDAY AND ANNIVERSARY, ILLUSTRATES GOOD HUMAN-INTEREST NEWS VALUE. (BOTTOM) CURTISS CANDY PUBLICITY PICTURE SHOWING TWO, PERHAPS THREE, OF THE CARDINAL VIRTUES OF NEWS PICTURES: BEAUTIES, BABIES, AND BEASTS.



This reminds me of another point: it is dangerous for a publicity man ever to try to take credit for something he did not do.

### Do's and Don'ts of Picture Publicity

The ability to stage successful news pictures just about boils down to whether or not you have a good picture sense. However, there are a few do's and don'ts everybody should know. First, do have action in your picture. Second, don't have everybody staring into the camera. Do keep your picture composition relatively simple, and do make it tell a story. Don't let the background be too dark, or it will black out completely in a newspaper reproduction.

A word of caution about your photographer. Don't think just because a person has "photographer" written after his name that he can take a good news picture. In fact, unless a professional studio has an ex-news photographer on its staff it is not really equipped to take publicity pictures that will gain acceptance from picture editors.

And do not ever underestimate the editorial sense of a picture editor. His wits have been sharpened by the slyness of press agents who try to get their particular gimmicks into a picture shot.

Most of the pictures you see in smaller dailies and nearly all weeklies come through mat services which, in turn, get a large proportion of their pictures from publicity sources. In addition to shots of babies, beauties and beasts, these pictures include photos of prominent people or representatives of nationally known organizations accepting awards, making speeches, receiving the keys to cities, etc. Some of them are the result of made news, and others of events that have occurred naturally.

In addition to mat services that the papers buy, like Western Newspaper Union and NEA, there are organizations that will syndicate your publicity pictures for you in mat form. Or, for that matter, you may prefer to have mats prepared and mail them yourself to your own list of newspapers.

### Hazards of Manufacturing News

There are many pitfalls in connection with made news. While newspapers have no prejudice against "corn," they hate a phony. Therefore, the publicity man who wants to keep the cooperation of his media must never try to fool the editors.

Made news as a tool of public relations is particularly tricky. The public relations man, therefore, who makes use of it must always ask himself first, "What do I want this to accomplish?" and second, "Is

there any possibility of its backfiring with possible harm to my client's public relations or to my own relationship with the media?"

If the stunt is not in keeping with the personality the client wants to build in the public mind, it is not for him, no matter how much space you might be able to get for him. Two famous examples of made news that did the principals no good, and probably some harm, were the pictures of J. P. Morgan holding a midget on his lap and Harry Truman playing the piano for movie actress Lauren Bacall. We do not know who made the news in either case. It might have been a newspaper photographer with a bright idea for a picture or it might have been a publicity man, but we do know that it was at Mr. Truman and Mr. Morgan that eyebrows were lifted by some segments of the public.

Newsreels are cooperative in arranging feature news stunts with which they can vary their presentation of fires, floods, earthquakes, sports and political events. Like magazines and feature syndicates, newsreels prefer suggestions for stunts of this type on an individual and exclusive basis, although all the cameramen may turn out for an event that has real news value.

### Personal Publicity

In beginning this chapter I defined publicity in terms of news columns, radio news programs and the newsreels. However, there are other types of publicity that do not fall strictly under these headings.

There is the publicity received when the client makes a guest appearance on a commercially sponsored radio program, and there is the publicity received when the client cooperates in testimonial advertising. This testimonial publicity may apply not only to newspapers and magazines but to radio billboards, car cards and even to boxes of breakfast foods.

### Measuring Campaign Results

And now a word about measuring the results of your publicity efforts.

Every publicity man wishes it were possible to show his client more complete results of his efforts. There are several good clipping services, and if your releases go beyond publications you can check personally, you will undoubtedly want to subscribe to one or all of them. However, even if you do, it is generally considered that you will be lucky if the clippings you get represent more than a fourth of the actual mention your client received.

By this I do not mean to imply that the clipping bureaus are in-

efficient, merely that the job they have to do is too big for them—or anyone else—to do completely.

Some publicity men feel that it does no harm to ask editors of trade publications for tear-sheets if their releases are used. I personally have never liked to do so, for it detracts from the impression of service we like to give and may have a negative effect on the editor's reaction to the release. Also editors are busy folks and might resent being asked to act as a private clipping service for you. We subscribe to the principal trade publications in the fields in which our clients operate, and check them ourselves. We also subscribe to the newspapers in communities in which our clients have interests.

Recently radio monitoring services have come into being to perform the same function in relation to radio that the clipping bureaus perform in the newspaper and magazine field.

Another checking technique we have found successful has been used in connection with a script service we furnish to radio commentators. With the first script we sent a covering letter introducing it as a new service and asking them to return a card to us if they wanted to continue getting it. This furnished us with a mailing list and a springboard for continuing contacts with this group.

#### Reporting Results to the Boss

How to present results to the client is a question of mixed emotions. We have had clients who desired reports so complete that more time and effort was spent on reporting results than in obtaining them in the first place.

Some like reports in terms of inches of newspaper and magazine space, but this cannot be an accurate yardstick because of the wide difference in value and readership between various newspapers.

Other clients prefer results reported in terms of circulation, but again this reflects only a part of the whole picture.

The ideal client in respect to reports is the philosophical one with whom the publicity man has a close working relationship and who, after agreeing on general procedures and policies, accepts the fact that if the breaks are even he will get his share of publicity results.

Unfortunately, there are many businessmen who think they are as expert in publicity as they are in their specialized lines of business. It takes much planning, skill, and experience to conduct a publicity program that will attain the goals the public relations program sets for it.

Consideration of the segment of the public your client wishes to

reach must be basic in your planning, as well as analysis of the media or combination of media which will reach that segment most efficiently.

### Serving Metropolitan Newspapers

The workmanlike job that responsible publicity people have done in the past few years, has won them much ground in their relations with metropolitan newspapers—and even some slight increased respect from small-town dailies and weeklies.

There are, of course, two reasons why the publicity man gets more cooperation from large city papers. In the first place, his offices are likely to be in a big city and he can have personal contacts with local newspaper and radio men and local representatives of the press services. In the second place, it would be obviously impossible for a newspaper in New York, Chicago, or even much smaller cities to maintain adequate contacts with every church, every social or civic organization, and every business in the city, as is done easily and naturally in the small town.

Consequently, it is necessary for the metropolitan newspapers to rely heavily on the publicity representatives of these organizations for news tips and coverage. Frequently when a Chicago newspaper or wire service wants information about one of our clients, they call us rather than calling the client. Sometimes we put them in touch with the proper person in the client organization, sometimes we have the desired information in our own offices or are able to get it from the client. In either case much time is saved for both newspaper and client. That sort of service is the best antidote to newspaper resistance to publicity.

### Resistance of Small Town Editors

The situation is very different with small papers. I dare say every agency sending out news releases has at some time or other received crisp letters from small-town editors requesting that no more releases be sent to them—that if mention is desired in their papers it will have to be paid for at regular advertising rates. Press associations in several states have even gone so far as to pass bans against use of publicity material.

There is something to be said for the small paper's attitude in this matter. If you have ever been a small-town editor, you will recall only too well the mountains of mimeographed publicity releases you received in every mail. And if you were patient enough to plow through them—and a lot of editors aren't—you probably found that only a very few of them had any local interest for your community.

I sometimes think the best thing that could happen to a publicity man would be to have his addressograph machine break down regularly. If it did, and then if his stenographers and mailing room clerks were all sick at the same time and he had to address every envelope personally, he might discover that his releases were going to a lot of people who were going to scratch their heads and say, "Now why did they think I would be interested in this?"

### Why Publicity Fails in Rural Areas

*Rural Sociology* recently carried a report of a survey of thirty-seven weekly newspapers in South Dakota by George L. Abernathy and Paul M. Berry. The authors found that 53 percent of the eighty-nine publicity seekers who sent material to these newspapers during a five-week period failed to secure a single insertion of any of their releases. One of the major reasons the editors gave for the meager use of releases they received was the fact that they were poorly adapted to local reader interest and the news policies of the weeklies.

Mr. Abernathy and Mr. Berry also found that the editors showed great resistance to publicity material they felt was essentially commercial advertising.

In summarizing results, the authors said: "If the situation among South Dakota weeklies is typical of the rural weeklies in other states, it suggests that the blanket distribution of releases is an ineffective way of reaching an appreciable portion of the readers of rural weeklies."

On the other hand, a 47 percent response is not too bad an average, and it would account for a great number of readers in heavily populated states like Illinois or New York.

### Look for the Local News Slant

However, the policy of sending news releases out wholesale is a questionable one, both from the standpoint of cost and media relations. You will do a more efficient and effective job if every news release you send the weekly and small daily newspapers contains news of specific interest to their localities.

If your organization is a large one and has representatives in many localities, you may find it advisable to release certain types of publicity through these local representatives. Setting up a program of this sort, however, takes careful planning, and the local representatives must be very carefully and completely trained. Usually it is advisable to furnish the representative the basic material from the main office, prepared in the proper form with space for filling in local information.

### Good Publicity Develops Public Understanding

Publicity in the public relations program should not be counted on to whitewash questionable policies or practices. But it can be used, and is constantly used, to promote a better understanding of the client in the eyes of the public. And that, in a nutshell, is the function of publicity as a tool of public relations.

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### Editors' Note

One of the greatest handicaps confronting the public relations executive is the fact that management too often confuses public relations and publicity. Until a distinction between the two is broadly understood by policy-making executives, the full potentiality of neither field can be realized.

A company may be desperately in need of more workers and anxious that prospective employees believe it to be a good place to work. Publicity may be broadcast to that effect. But it will backfire if conditions in the plant do not contribute to employee satisfaction.

### Steps Toward Publicity

The wise executive first discovers what is the attitude of his employees and his neighbors toward the company. If it is negative he sets out to correct his errors and omissions and institutes policies which will make the plant a good place to work in and will keep it that way. That's the first public relations step.

He is now ready for publicity. But there still remains a lot of public relations to be done before the first release is sent out. He must analyze the situation and determine precisely what publics he wants to reach and exactly what message to get to them. In this case it probably would be the whole public in the trading areas surrounding the plant. But he will be particularly interested in creating a favorable impression among opinion leaders such as those active in religious, educational, civic and public welfare organizations.

After this analysis has been made, then, and only then, is he ready to use as effectively and dramatically as possible, the various channels of communication for reaching these publics. This will include a study not only of the audiences served by these media but also of the ma-

terial they are likely to accept and the form in which it is to be presented.

Then comes the job of publicizing conditions within the plant which are now attractive to the prospective employee. That publicity is but one tool and the last manifestation of an effective public relations program.

Every publicity campaign must conform to the objectives of an overall public relations program and be an integral part of the basic policies of the corporation.

### Where Management Thinking Goes Wrong

Conspicuous errors in management's attitude about publicity usually tend toward one of two extremes. One group, large but steadily dwindling, looks upon publicity merely as cheap press agentry and holds it in contempt. The other thinks of publicity as being the whole of public relations and spends lavishly of time and money in that field without a proper public relations background for the work.

An example of the latter school of thought is an important airplane manufacturing company which recently disbanded an exceptionally efficient publicity department. The company had decided to concentrate on government work. Since it didn't expect to sell airplanes to public carriers or to private pilots for some years to come, it assumed it would have nothing to publicize and therefore no need of a department. It may be no accident that the industrial and community relations problems of that company became something of a public scandal within a year after organized public relations was abandoned.

### Misdirected Writing in Releases

In spite of admonitions that have been broadcast regularly since publicity was first used, a high percentage of release material continues to be difficult to read or over the head of the prospective audience. Copy must always be simple and written in human terms. This does not mean that we must aim at a hypothetical twelve-year-old audience or write condescendingly. It does mean that the average newspaper reader is not going to study your release or apply the full potentialities of his I.Q. to it. You can't count on having his undivided attention when he's reading your release. He may be giving some thought to the comely lady sitting opposite him in the bus.

Importance of this is emphasized by the wise policy of some of our larger corporations. They call in experts to measure the readability of their public relations output. In almost every case they find that they

have been writing over the heads of their audiences, that their copy is too technical, and written in terms that would interest the business executives who furnish the information rather than the citizens who are expected to read it.

The Borden Company in a recent readability test discovered that nine out of the thirteen pieces of publicity material issued regularly were within the readability limits which have been scientifically determined as being desirable. Yet four of these regular releases were 40 percent or more out of line. In fairness it should be said that the experts found Borden's material substantially above the average in readability by comparison with the output of other corporations.

### Weakness of Technical Publicity

The one area in which publicity is most likely to go completely wrong is in the exploitation of technical discoveries and developments. Almost inevitably the copy reveals to a knowing eye either that the man who wrote it is unfamiliar with the subject or that the reader is certain to be bewildered by it.

Experience in this field seems to suggest that two writers rather than one always should be involved in the writing of this kind of copy. The first should be an engineer or a technician who can make sure that the sponsor is not made ridiculous by the announcement. The other might well have a smattering of technical knowledge but he must have complete familiarity with the publication at which he's aiming and with the interest and intelligence level of its readers.

### Editorial Page Publicity

One potentiality of publicity that is almost entirely overlooked is the editorial page. Constructive editorials can be promoted without offending editorial dignity and independence. The daily meeting of editorial writers with the editor-in-chief finds the staff racking its brains for ideas. Material you have sent or suggestions you have made may prove a life-saver.

Here personal contacts count most. Editorial writers work almost entirely from their desks. They usually welcome outside contacts. Unless you already know the editorial worker personally, don't visit him in an effort to sell an editorial idea. Go to him in the spirit of explaining your project so that if occasion should arise for an editorial on it he will have the background.

Make it a continuing job to know the full name of the men who write the editorials on newspapers, magazines and trade papers. Send

them material by name. Never ask for an editorial of course. If the contact is impersonal, send the material "for reference," as background material, or slug it, "Editorial comment is invited." If it is an exhaustive report or exhibit, put a summary on top, or red-pencil important passages.

And avoid wholesale mailings. Determine first that the material is in keeping with the publication's editorial policy and that it serves the interest of the editor and his subscribers. Then send it along in the spirit of service. Make every effort to see that the editorial writer knows how to reach the right news source if he should suddenly be called upon to write about the activities in which you are interested.

Editorial writers make constant use of the morgue or library. But they are great individualists. Almost every one of them maintains a private morgue in his desk: clippings, booklets and releases that hit his fancy. He is always hauling one out to spring on the editor on a dull day. Don't be disappointed if your material doesn't sprout into an editorial tomorrow. If it is worth printing, it is in some editor's cache.

#### Editors Evaluate Errors in Releases

Perhaps the best way to find out whether publicity copy is effective or not is to ask the editors who handle it. Industry Publicity Associates recently made a survey to discover the principal criticisms trade paper editors make of releases passing over their desks. It's probable that their verdict wouldn't differ much from editors in other fields. Complaints made by 20 percent or more of the editors questioned with the percentage of objection in each case were:

- |  |     |
|--|-----|
| 1. Many releases couldn't possibly interest the publication  | 74% |
| 2. Too many superlatives, "plugs" and "puffs"                | 33% |
| 3. Fail to give name of person who can give more information | 27% |
| 4. Use "tomorrow" or similar word instead of specific date   | 27% |
| 5. Try to palm off old stuff as new                          | 20% |
| 6. Fail to send summary or story with lengthy documents      | 20% |
| 7. Don't type or paste captions on back of picture           | 20% |
| 8. Send release to several editors instead of to just one    | 20% |

The thread of publicity naturally runs through every phase of public relations operations. Publicity planning would be involved in the useful application of practically every chapter in this book.

—G. G. and D. G.

## RELATIONS WITH THE PRESS

BY L. E. JUDD  
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### ■XIX



THIS CHAPTER WILL DEVOTE itself primarily to the problem of building and maintaining sound relations with media of communication, as distinct from the techniques for utilization of these media. A great deal of what follows is intentionally elementary. Even the experienced executive will do himself no harm by occasionally reviewing some of his earlier lessons. They are easy to forget.

In dealing with these media, it is well to have a general understanding of their basic structure—what they undertake to do, how they do it and why. I shall not presume to do this in detail. Rather, I shall outline some highlight factors in the hope that they will give the reader a working knowledge of the atmosphere of the press.

The broad and free American press is made up of individual enterprises which include newspapers, magazines and other publications of general or specific interests as well as radio, television and motion pictures.

### Winning Respect of the Press

Individually, their values as properties and, indeed, their very life tenure is established in greatest measure by the factor of reader or listener acceptance and support. Such acceptance, by and large, stems from the editorial good faith, judgment and skill which go into the product, hour after hour and edition after edition.

No vocational group ranks higher in pride of craftsmanship or professional integrity than the writing and reporting men of the press.

It is well to keep those two facts in mind as you undertake the building of good relations with media of communication. Likewise it is essential to realize that news is perishable, highly so, and that the newspaperman works against exacting time deadlines. What can be done and what should not be done to establish desirable press relations?

### Honesty—A Cardinal Principle

Nothing can so quickly and thoroughly destroy good press relations as deliberate misrepresentation. A slick press agent sometimes puts something over on the press but he is not at all likely to be given opportunity to repeat the performance.

The reporter and the editor who have so much at stake, professionally and financially, in meeting the standards of their audiences, will naturally expect that what they get from you in the way of information will be accurate and truthful. One violation of this code, if willful or deliberate or stupid, will not be forgotten. The first principle of maintaining satisfactory press relationships is *honesty in your own reporting*.

### Always Be Available to the Press

Next in importance is an open-door policy toward the press. Availability and cooperation when the press wants to talk to you will more than pay for itself at times when you want to talk to the press. Such an attitude is evidenced when your reply to a press query follows one of these three general patterns:

1. "Here are the facts."
2. "I don't know the answer at this minute but (*if you really can and should*) I'll find out and call you back."
3. "Sorry, but I can't discuss that particular subject at this time and (*if you find it permissible*) here are the reasons for my position."

It is generally just as easy as that, yet many business executives

chronically fail in the matter of desirable press relations through their failure to recognize these simple rules of attitude.

If you are more accessible to the press than is your competitor, you will get the breaks more often than not. (And the chances are your competitor will have difficulty figuring out why.) Your credit rating is further enhanced when your attitude reflects a sympathetic understanding of the urgency of those press deadlines which hang over the reporter at all times.

### Don't Tell the Reporter What's News

A common impediment to satisfactory press relations is the too prevalent tendency of the layman to assume that he knows as much or more about what is news and how it should be written than the fellow who makes his living by these special skills. The average reader of daily newspapers, even though he be an observing person, falls lamentably short of the mark when he undertakes to do a piece according to his own ideas of journalese. Hence, if you have something to submit and if you do not have available for the purpose a man of experience in such writing, it is usually best to set forth the facts in the simplest manner possible, turn them over to the reporter and be content with what comes. Bear in mind that he knows the habits and standards of his readers.

Remember, too, that your own little contribution to current history may not be as important to the general public as it seems to you. In these days of swift communication and global interests, every item coming to an editor's desk competes with thousands of other items in the day's grist for space and attention. What may rate Page One on a dull news day may land back near the classified section or be crowded out completely when big news is breaking.

### Advertising Appropriations Don't Buy News Space

Every newspaperman worth his salt sees red at the hint of pressure from the "front office". If you are an advertiser, that fact would best be left out of the conversation and approach when you are dealing with the news or editorial side of a modern publication. Benjamin Franklin as a struggling publisher, so I was taught in the fifth grade, once ran into such a pressure group. He invited some of these critics to his home for dinner, served them with a bowl of sawdust pudding and remarked to this effect: "So long as I can live on such fare, I can get along without your advertising rather than sacrifice my principles."

Uncle Bob Paine, one of the founding editors of the *Cleveland Press* under the late E. W. Scripps, contributed much to the traditions of editorial independence. A legend handed down many years later to younger Scripps editors, including myself, had it that Uncle Bob ordered the paper's business manager out of the editorial offices when he interceded for the then struggling paper's largest advertiser, whose son had become involved in a scrape with police. It was told us, too, that Uncle Bob even silenced E. W. Scripps himself when the latter objected to publication of his own arrest for speeding down Euclid Avenue behind a high-spirited team.

In my own days as a newspaper editor, it was standard practice in the business offices to assume that a certain percentage of the potential advertisers would be out of the paper at all times due to remonstrance with editorial policy, advertising position, rates or something of the kind. So long as the remonstrators acted singly, and it seemed that they generally did, the paper's earnings were fairly stable and the observance of proper standards of editorial independence was not unduly penalized.

Such standards are common to the general structure of the media of communications with which this chapter deals and deviations therefrom are the exception.

#### Techniques of Press Relations

In the general process of establishing good relations with the media of communication, certain techniques have become standardized in conformity to a variety of controlling factors.

Among such standard techniques are the press release or statement, the press meeting, the press preview or advance, utilization of background material, including photography, and the use of paid space.

Assuming legitimate reason for adopting one or more of these techniques and assuming that the material involved is properly planned, the detail of placement becomes of high importance. You miss the mark with a financial-type release when you send it to the sports editor; you usually do not invite the farm press in for a meeting on a subject of purely urban interest; you don't include the aviation writers in a preview of a new machine for the coal industry; you don't provide *Vogue* with background material on hay baling.

The point here is that the media of communication comprise many distinct classifications and that within publications of general circulation and interest are a variety of departments. You will find it helpful to learn who does what on your local newspapers and thus direct your efforts to the proper point of specific interest. Similar study should be

given to media beyond the confines of your own community, and here you will find help in such source books as the annual N. W. Ayer & Sons *Directory of Newspapers and Publications* and the annual year book of *Editor & Publisher*.

### One Company's Experience

At Goodyear an indispensable tool is our card index file of publications, special writers and commentators. This list is departmentalized so as to group various classifications of newspapers, farm publications, photographic services, trade papers, publications in such fields as plastics, finance, chemistry, distribution, manufacturing and the whole gamut of media which serve the publics we want to reach. Each grouping is assigned a code number and the mechanics of getting our releases into the proper hands are thus expedited. Some adaptation of this general plan is possible no matter how large or limited your requirements may be.

The spirit in which one undertakes to apply the standard techniques is important in the maintenance of good press relations. Of course, the reporter or editor recognizes that your proffers generally are made because of your special interests. If you can *make your special interests fit into his concept of responsibility to his readers*, you will be on the right track. This is not too difficult in view of the catholic interests of the American public today and the resourcefulness regularly demonstrated by our media of communication in the serving of these interests.

### Offer Service to the Editor

More and more, public relations departments of business are being looked to by the press as authoritative sources of information. No working day passes but that my own department receives inquiries from the press for information on matters of current interest. It is our policy to handle such matters with all possible speed and care, for we recognize the legitimacy of such interest and place high estimate on the importance of such cooperation in the general matter of maintaining good relations with the press and public.

When your relations with the press arrive at the point where the city editor instinctively looks to you as a staff man, *ex officio*, assigned to your own particular beat, you may be sure that you are getting along nicely. It has become almost standard practice in public relations-conscious industries to call the newspapers with first news about plant accidents, fires, labor disturbances and similar occurrences. Occasionally, it may seem distasteful to have your own or your firm's name

published in such connections but an ostrich attitude hurts more often than it helps.

News-gathering machinery is pretty thorough and it is reasonably certain that such matters will be picked up by reporters on the police, hospital, or some other regular beat. Unless you are willing to give the press the full facts, you cannot legitimately complain if the published article is inaccurate and to your detriment. A good guarantee of poor press relations is to give an enterprising reporter reason to suspect that you are covering up or holding out. From there on, he reacts automatically and vigorously to this implied challenge to his resourcefulness and professional integrity by putting more than the normal effort back of his search.

The pressure of such journalistic interest is constructive in an over-all sense. It stimulates and goads management to higher standards of prevention and stewardship even if only because of human distaste for adverse publicity. A reputation for candor in matters not exactly to your liking often stands you in good stead when the reporter seeks to check the general accuracy of something your competitor is putting out.

#### Synthetic Publicity Is Dangerous

Efforts to attain publicity for the sake of publicity often meet tough going. Publicity for the sake of more constructive purposes is quite legitimate in the code of the average ethical journalist. An overweening appetite for personal publicity is easily spotted by the average trained reporter or copy editor.

A certain industrialist, a likable man of unquestioned ability and resourcefulness, schemed and strained to break into print. Perhaps he considered that it would serve his business interests by making his product better known. Possibly his efforts were inspired by personal vanity or jealousy of his competitors who ranked him in business volume and product acceptance. Possibly it was just a blind spot in his otherwise fine vision. He retained incompetent but expensive publicity help and frequent arrangements were made to have him included at meetings with contemporaries whose greatness was well established. This industrialist would be in range when the flash bulbs popped. But, more frequently than not, he was at one end or the other of the group and when the picture was published, his own image failed to appear. The photographer purposefully had placed him out on the end and the editor had merely to crop the photographic print to eliminate the end figure. Meanwhile, the cropped picture satisfied the editor that he had met fully the interests of his readers.

Relative soundness and legitimacy of motives is an important factor in the establishment of good relations with the press.

Before concluding this chapter, it seems advisable to depart from the broader sweeps of principle and policy in order to take up some of the specific do's and do-not's of everyday press relations. Here are some practical guide posts:

#### Some Rules of Sound Press Relations

1. Assume, until you learn differently, that every representative of the press with whom you deal, is a gentleman in the real sense of the word. Assume that he will not betray your confidence, that he can be entrusted with advance information, that he will observe release dates as specified on the material you send him in advance. Rarely will such assumptions prove wrong.
2. Be candid in your dealings with the press.
3. Be available and willing to help when you receive press inquiries.
4. Try to anticipate reportorial needs before they arise so that you may have background, biographical, photographic and other such material available at the time of need.
5. Recognize journalism in its various branches as a proud profession whose representatives are intelligent and broad-gauged as well as human. They are entitled to and respond to the sort of courteous treatment you expect to accord your friendly business or social associates.
6. If your press caller has time to spare, it is always a good gesture to show him through the plant or give him a look at some of the inner workings of your business. Information on almost any subject is eventually grist to his mill.
7. If he must write his story on the spot, arrange to provide him with a typewriter, copy paper, a telephone and any other facilities he may require.
8. If you want something in the paper as you have prepared it, buy the space and run it as an advertisement. News releases are subject invariably to rewriting and editing to fit into a lot of other editorial considerations of the moment.
9. Make your own friendly and sensible attitude toward the press known throughout your organization and thus protect yourself against missteps.
10. In your own personal dealings with the press, relax and be natural.

### Errors to Avoid

Here are some thoughts on the "do not" side of press relations:

1. Do not assume that good public and press relations are controlled by a faucet to be turned on or off at will or whim.
2. Do not expect your public relations man, if you have one, or the reporter whom you contact, to make up for mistakes and deficiencies of your own making. Try for a record of performance which will not suffer under public inspection: it is the best insurance in the field of public relations.
3. Do not assume that you are entitled to special consideration because you are an advertiser. When you buy advertising in a self-respecting publication, you should expect just that much space and nothing more.
4. Above all, do not assume that you know more about public or reader interests than the editor. Such an assumption will antagonize him and do you no good.
5. Do not jump to the conclusion that your competitor is being especially favored or has some hidden "in" if he is getting more desirable attention from the press than you have enjoyed. The chances are he is doing a more intelligent job than you with his press relations or that his actual performance rates higher than yours.
6. Do not always be on the asking end in your relations with the press. Think of the reporter when you encounter a potential news story which is not part of your own promotion and which he might otherwise miss.
7. If your preview or cocktail or dinner party includes the press, do not fail in any detail of consideration or in the quality of your hospitality. Be sure that the press table is located where its occupants can see and hear what is going on.
8. Don't have the reporter cool his heels in your lobby. Remember his deadlines. If it is impossible to see him at once, get word to him so that he won't dangle.
9. Occasionally and unfortunately you may become publicly involved in some controversy. In such situations don't forget the time element. An edition which carries the other side but not yours is a missed opportunity for reaching the readers of that edition. Be right, but be quick!

The open-door press policy is by all measures the best and most satisfactory in the long view. Properly pursued, it makes for enduring

good public and press relations. It serves in two beneficial directions: it brings you into closer and more understanding contact with the public; it continually reminds you that your affairs need to be conducted in such manner as to bear public inspection. Good press relations are a constructive force in the field of human service. They are not provided through magic or mysterious short cuts. They call for honesty, intelligence, consistency and, above all, good common sense.

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### Editors' Note

Good press relations depend directly upon the attitude of every single person who may have any contact with the press. This thought should emphasize the importance of immediate and continuing training in press relations.

Sound practice in this area seems to be confined largely to a relatively few large companies, but the need for it is even more important in medium-sized and small companies which often lack trained personnel to handle their publicity. It may be significant that many of the larger companies are concentrating their training and indoctrination in this field at the local level.

#### Indoctrinating Personnel on Sound Press Relations

Two basic methods with many variations are used in this training. A few companies hold meetings of executives and supervisors at which press relations are an important part of general indoctrination. These include illustrated instruction by members of the public relations staff, lectures by editors, and occasionally visits to editorial offices and schools of journalism.

The more widely used technique is the preparation of a detailed and specific course of instruction in booklet form. These are distributed to every employee coming in contact with the press and are used as the basis of discussion at group meetings.

#### How to Prepare a Press Relations Manual

Such a booklet should open with an explanation of sound press relations. This will stress the new corporate attitude towards publicity and the press. It will impress upon the mind of every executive and super-

visor who might have occasion to give information to the press that the newspaper is entitled to all information in which the community might have a legitimate interest.

The booklet will describe in simple terms the functions of newspapers and other media and describe the work of reporters and editors. It will give guidance, particularly to local plant executives, in their personal relations with editors and reporters and stress the importance of those contacts.

Such indoctrination can make every employee a valuable assistant to the public relations department or to the executive in charge of press relations. Here the manual should spell out in detail what is news and where to look for it. For example General Mills in its booklet asks employees to look for news that will make publicity in the following areas:

New construction	Special reports	Banquets
Research discoveries	Interviews	Conventions
New products	Anniversaries	Articles
New processes	Safety awards	Speeches
Promotions	Meetings	Strikes
Appointments	Other awards	Sports events
Retirements	Distinguished visitors	Personal items
Deaths	Open-house affairs	Biographies
Accidents	Exhibits	Service records

Such a list naturally will vary among companies. But discovering news from such sources and voluntarily passing it to the press is the first and most important step towards developing a spirit of cooperation.

If the booklet is to go to personnel having responsibility for preparing and distributing publicity as well as meeting the press, there should be included detailed instructions on how to prepare a release, how to time it, and how to distribute it.

No area of public relations is beset with more pitfalls than press relations. Every manual of public relations instruction should contain a detailed list of do's and don'ts.

#### Some Effective Press Relations Manuals

Much can be learned from the experience of some of the companies which have used such manuals effectively. Among the best of them are:

"Handling Publicity," General Mills, Minneapolis, Minn.

"What's News and How To Get It," American Airlines, Inc., 100 E. 42nd St., New York, N. Y.

"How To Meet the Press," New York Central R. R. Co., 230 Park Ave.,  
New York, N. Y.

"Working with the Press," Aluminum Company of America, Pitts-  
burgh, Pa.

"May We Quote You?" Standard Oil Co. of New Jersey, 30 Rocke-  
feller Plaza, New York, N. Y.

### Informing the Press Through Advertising

A new and constructive trend in company press relations is that of designing publicity as a service to the editor and his readers and demonstrating the fact effectively. An outstanding example of this procedure is the campaign conducted by Johns-Manville Corporation in *Editor & Publisher*, *American Press* and the *Publisher's Auxiliary*, trade publications read by newspapermen. These full-page ads explained why the company maintains a public relations department and why it sends releases to the various media. Every ad undertook to prove that the department is a service to the editor and his readers, showed how much of its time is occupied in handling editorial requests, explained how the department can serve the press, and told where and how it can be reached day and night. Bache & Co., brokers, and Bethlehem Steel Corporation have conducted similar campaigns.

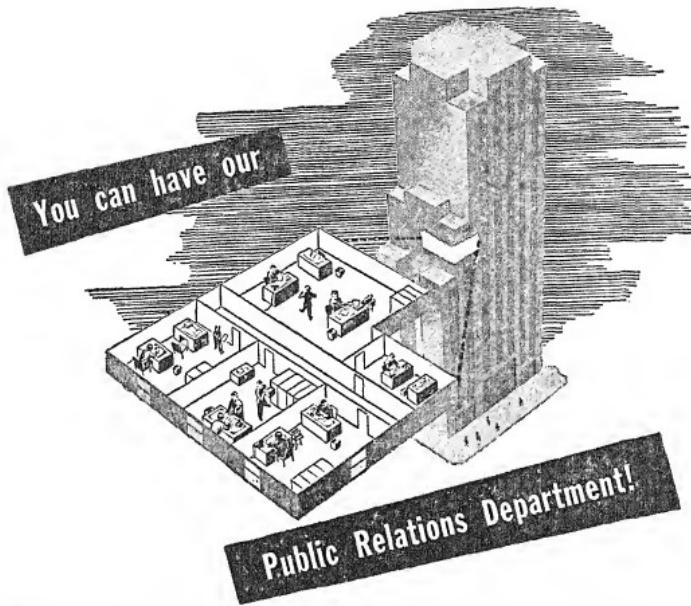
The most important over-all responsibility of management in its press relations is to prove and constantly demonstrate that the company's public relations and publicity are a service to the editor and his readers.

### Common Errors in Press Relations

Cataloging the apparently obvious errors of public relations people in their contacts with the press would seem unnecessary today. But the editor who is aware of some of the niceties of public relations is shocked by the frequency with which some of the supposedly obvious rules are violated. These violations are not confined to the tyros in the business. Some of the largest operators frequently make demands and suggestions that leave the average editor boiling.

Too often, even now, supposedly experienced public relations people ask editors to print news not as a service to the reader but as a favor to the boss or to help them make a showing with the client.

Another thing that infuriates an editor is to have the public relations worker ask why he didn't print a release or when it's going to appear. Whatever the reason, such questioning is embarrassing to the editor. It may have been a good story, but crowded out by one the editor thought was better. Even if the editor lost or forgot your story, he doesn't want



**I**N FACT, as far as we in Johns-Manville are concerned . . . you've already got them!

What we mean is—a recent check on their activities reveals that they spend three-quarters of their working time filling requests for information and carrying out specific assignments received from newspaper, trade paper and magazine editors and publishers.

In the last couple of months, for instance, here's only a few of the publications and organizations which have called in our public relations staff for special information, illustrations, technical data and other research assistance.

United Press Coronet	Wall Street Journal Business Week
Columbia Broadcasting System	Engineering News Record
Laconia, N. H., Citizen	
The New York Times	News Week
Associated Press	Journal of Commerce
Architectural Forum	Time
New Brunswick Home News	

Such goings on means, of course, that Johns-Manville doesn't have an awful lot to say about

the activities of its public relations staff a major part of the time. But, that's the way they like it, and, as a matter of fact, that's the way Johns-Manville likes it.

With the national accent very definitely on things pertaining to housing and industrial reconversion, we at J-M realize that the nature of our business makes us a source of much pertinent, current and newsworthy information. And, we consider it a part of our job as an American enterprise to answer promptly any request from the press for information about our operations.

Because all of our public relations people have the value of newspaper training as former members of the working press, plus a good background of experience with Johns-Manville and the building industry, we think we can vouch for them as pretty adequately prepared to handle any assignment from any publication with accuracy and dispatch.

So, that's why we say . . . "You can have our Public Relations Department!"

**JOHNS-MANVILLE**

FIGURE 16.—FULL-PAGE ADVERTISEMENT IN PUBLICATIONS READ BY NEWSPAPER EDITORS EXPLAINING HOW THE PUBLIC RELATIONS DEPARTMENT OF JOHNS-MANVILLE IS A SERVICE TO THE PRESS.

to be called to account. The editor is not accountable to the publicity man as to how or why he makes his judgments.

Never thank an editor for *using* your story. Whatever his motives may have been, he likes to think he printed it as a service to his readers. Of course he's human and likes to be praised. He will be glad to hear from you, but praise him for the way in which the story was written, for the understanding exhibited by the writer, rather than for the fact that the story appeared.

A lot of ill will has been developed for the public relations profession by thoughtless letters asking for clippings or copies of a publication in which a publicity story appeared. If you want to know whether a story was printed or if you want extra copies of the publication, write to the librarian and offer to pay for the back numbers. The editor has something else to do besides tending to your research and acting as your clipping bureau.

—G. G. and D. G.

## HOW PUBLIC RELATIONS SERVES THE EDITOR

BY LOUIS B. SELTZER  
*Editor, The Cleveland Press*



# T

HE ANCIENT WAR IS OVER between the newspaper editor and the public relations man. But there's yet no substantial treaty of peace and understanding. The warfare went back to the dark ages of American journalism, when the advertiser was led to expect a plug—they called it a "reader" then—and got it. A bit later the publicity man was quite naturally under suspicion from the editor who was trying to establish his independence. Often the publicity man was a press agent, his tactics those of tricks and pressure. He was little trusted, and didn't expect to be.

The country was closer to the frontier. Newspapers paid off in "readers", accepted political advertising as patronage, and sometimes took pot shots at corporations that didn't "cooperate". The corporations weren't interested in public relations. They sought results by direct methods, and that applied both to attempting to buy silence and pro-

viding themselves with acceptable "readers" as a bonus on their advertising.

Business wasn't *news*. There were no specialists on business coverage on the daily papers outside of New York City and Boston, and few there.

Then came the change.

### BIRTH AND DEVELOPMENT OF PUBLIC RELATIONS

Some credit the late Ivy Lee, pioneer public relations consultant to the Rockefellers, with being the father of modern public relations. I credit Theodore Roosevelt. It was the first Roosevelt who drew the issue between big business and big government—the private power of corporations vs. the public power of government.

Teddy Roosevelt first shocked the growing corporations of America into the need for substituting public acceptance for "public be damned". Woodrow Wilson's "New Freedom" theories of reform took up where Theodore Roosevelt left off. Ivy Lee inherited from both. He had the vision to see that a great service was needed. It was a two-way operation—to make the corporation behave in its relations to the public and to make news out of the improved behavior.

During the 1920's, publicity men graduated in numbers into varying degrees of public relations. They were beginning on an increasing scale, not merely to process the news of business, but to influence the policies which determine the quality of news at the source—that make it bad or good.

#### The Depression—A Great Stimulus

Probably the collapse of 1929 did the most to make big news out of business and finance. Certainly the hard days that followed—the years of the great depression—did the most to make public relations a great and powerful activity on the American business scene.

Labor came into great political power. Public opinion was the backdrop of every battle scene between management and labor. Business was engaged in political conflict on the grand scale with the forces of government under the New Deal. Again the backdrop was public opinion. In both of these embroiled waters, public relations men increasingly became the steersmen. Their talents were in demand.

Meanwhile these things had happened to newspapers:

1. Business had become Big News as never before. Relationships between stock quotations and payrolls animated the news of

front pages. The editor needed expert assistance from the corporation. He wanted the right answer *quick*. Some public relations men had the right answers. They became valuable to the city editor. Some even became invaluable.

2. The newspaper editor and many others got an economic education out of the great depression that this pioneer country had never previously afforded. The great depression drove home as never before the lesson of our dependency upon business prosperity.

#### Business News Moves to Front Page

It became sharply obvious that the balance of economic forces which sustained profits and payrolls was the most important equation in our society. It was more important than kings or presidents, politics or personal scandal. It was the *great news*. The days of indifference toward business news had ended. Indifference lingers here and there, but as policy, not as accident.

Newspaper policy might take sides with labor or management, but it no longer could escape responsibility for its part in keeping the main show in operation. In reporting and publishing the *news* of business, it became vitally important for newspapers to be informed, to be right. With the sharp emergence of the importance of business news, the man with the right answers also emerged. Often he was the new public relations man. More often, he could have been.

#### THE EDITOR EXPECTS SKILL, EXPERIENCE AND INTEGRITY

What does the newspaper editor expect of this public relations man?

Fundamentally, he expects him to be trustworthy. He expects him to be a professional man—to be a man with a code of conduct, with an abiding commitment not to falsify the record for hire. That's a high goal, I know, for a business service profession which is *for hire*—but it isn't too high, is it?

Also, the editor expects the public relations man to be a powerful agent in making the corporation a good news source:

1. To make the corporation management understand the *nature* of news—its urgency and objectivity—that it can't be turned off and on.
2. To make the corporation understand the inevitable *news* consequences of bad or stupid policies.

3. To influence management to deal smartly and fairly with its news outlets. To deal smartly and fairly with these outlets is usually to deal smartly and fairly with the whole public.

### Need for New Basis of Understanding

As an editor, I'm putting emphasis here on what the public relations man does *for* his client, and *to* his client. I think that's the important characteristic of public relations—its constructive influence upon the news source. And here perhaps is where the editor and the public relations man need to enter into a new treaty of peace and understanding.

The war is over, I believe. The newspaper doesn't need to make war on the public relations man any more, if it ever did. If we can't defend ourselves against the public relations worker who would dupe us—and there still are some wearing the label who aim to do so—then we deserve to be fooled. We don't deserve to continue in business. If we let any agent who calls himself a public relations man sell us out of our right to get and tell the whole story—then we deserve to lose our birth-right.

Personally, I'm sure that our protection against the above destructive contingencies can be secure and kept so under a fair working relationship between the newspaper and the best type of modern public relations executive.

If—

And here comes a suggestion which, to many editors, may seem revolutionary. But on consideration, I think they'll find it isn't revolutionary, but is merely in line with these times—times whose prospects are so immense that they are both thrilling and staggering.

### Editors Need To Re-evaluate Public Relations

My proposal is that a treaty of peace and understanding be written between the newspaper editor and the public relations professional which will be *for* business and its interests, not *against* it. If the newspaper—joined by other independent media, radio and magazines of opinion—would extend recognition and intelligent cooperation to the public relations profession, that profession might be raised to a potency that would save America untold loss and woe.

This can't be any blanket indorsement to all who come wearing the public relations label. But there can be an expression of intention to recognize and support the professionals who demonstrate their willingness to take the bad news with the good back to their corporations, and to risk their necks in attempting to get corporations to deal with the

public as they should. There can be a move to cooperate with creditable professional organizations of public relations men so that decent practice in this field will gain in stature.

#### Business Still Backward in Public Relations

American business has come a long way since the pioneer days of Ivy Lee. But it still has a long way to go—particularly in terms of its relations to labor at large and to the agencies of government. American business management—the smartest in the world in its own fields of production and distribution—is still the perennial sophomore in the field of politics and relations with government. Business meddlings in politics are still on an amateur and often cynical level. They still smack of condescension. They are still lacking in evidences of respect for politics as the essential tool of democracy.

Among public relations men are the brains and know-how to bring business into much more intelligent relations to the body politic of the American people. Is there the intention? I think there is. I believe that the public relations man generally is a man of intelligent intention. He knows the fundamental answers and would like to give them straight. But he still needs support in this difficult job. He still needs credentials from the press and other agencies of public opinion.

I propose that editors and other managers of the agencies of public opinion make a new frank approach to giving the public relations profession the recognition it needs to stand up and have it out with management wherever that becomes necessary.

#### Editorial Support Can Double Public Relations Effectiveness

This isn't very novel. Many in the profession are individually getting the recognition I am suggesting. They are getting it on personal merit. This is not a suggestion that public relations change its confidential and trusted relationship to management. Quite the contrary. It is a suggestion that if public relations felt it was supported, at least commensurate with its deserts, on its *outlet* side by the powerful influence of newspapers, it could double or triple its constructive usefulness to the client, or *intake*, side.

The prospects of America—in science, in business management, and in the standard of living of all the people—are so immense that we need the resources of new combinations of creative ability. In cooperation, the minds of men can give us the tools of our destiny—social instruments able to harness the immeasurable potency of the atomic age to

the well-being of the race. It's a time for doing. And I'm suggesting a pattern of action for journalism and public relations, which operate somewhat in a common area, and which should have a common interest in the future welfare of mankind.

### MEET THE EDITOR FACE TO FACE

Let's assume a publicity man has come in to see an editor. We sit down. We talk. He is new at his business. Perhaps, after thirty years, I am still new at mine. It is good for me, as an editor, to believe I am new at my business. For, if I do not adopt a wide-open wonder at each new day's change, I am lost. Change is constant. It proceeds nowadays, in this era of science and technology, at an increasingly accelerated rate. Too many editors believe they are old hands at their business. They are, when they think that. They are too tired to recognize the newness of things happening in such profusion about them.

The editor and the public relations practitioner operate on a two-way street. One serves the other. The editor wants facts. The public relations man has them, or ought to have them. He wants them printed. There is mutual interest.

We begin with some elementary facts. One fact is that there are thousands of newspaper publishers and editors in these free states. The law of averages runs through them as human beings, as it does through all other professions and crafts. There are good ones, bad ones, indifferent ones. There are tractable ones, and then there are the intransigents. Some are reasonable. Most of them are. Some are arbitrary. Not many, however.

They are the real "rugged individualists" of the country. Haven't they developed the formula for success in their respective communities? Haven't they, therefore, got the answers—well at least most of them. It's sometimes hard to suggest to them, especially hard for people from the "outside"—and the publicity agent, by whatever name he comes, is to most newspapermen an "outsider."

So the first thing a publicity agent or public relations man or woman needs to do is to become acquainted with the publisher or editor with whom he or she is about to do business.

#### The Editor Wants the Truth

Now, speaking as one editor, and one alone, I want the facts. I am not concerned about the source of facts. I want only to be sure they

are the facts. The facts furnished by a public relations source are as eligible for place in our newspaper as the facts obtained by one of our own staff.

Yet, how do I know they are facts when presented by the public relations man? I know it only because he builds such a reputation. He builds that reputation by repeated performance. We get to know him for his willingness to develop the facts, even when they do not reflect so well upon his principal. In the long run, however, when he gives us the facts, both the good and the not so good, he gets an excellent "break" from our paper. We like him because he has brought us facts, which are our stock in trade.

Getting one story in a paper is important, of course. More important, however, is getting most or all of them in the paper. The most important thing a public relations or publicity counsellor can do for himself, for his principal, for the newspaper, is to build a solid foundation under himself. He should shoot for the favorable long-range relationship. The assumption should be that over a period of years certain events are inevitably going to take place in the plant, or company, or office, or institution for which the public relations man works. On that assumption, he should build. He should assume that it will be necessary for him to come to the editor of the newspaper or newspapers in his town or metropolis frequently during the years ahead.

#### Plan for the Long Pull

He will either be welcome in the newspaper office or not, depending upon his long-term batting average. If he has shot straight with the papers, if he has given the facts—even, when, as I suggested earlier, they hurt—he will be welcome at any time.

Why is this so important? It is important because the chances are that the one story he wants most urgently to get into the paper, or the one situation he wants more than any other to get presented with the most favorable "side" for his principal, is the one story he won't get into the paper at all if he hasn't dealt squarely with the papers. But if he has dealt squarely, if he has gone out of his way to cooperate with the papers, then, in that big emergency, the papers will go out of their way to help him. That's human. That's what happens.

If the public relations or publicity counsellor lets the paper down once, that single occasion is likely to color the paper's attitude toward him for a long time. Perhaps, in the cases of papers that harbor such attitudes, or pride themselves on their long memories, he will have permanently impaired his effectiveness. This shouldn't be a one-sided

affair. It ought to work both ways. The paper shouldn't ask the public relations man to do the impossible. It shouldn't ask him to do the thing his principal employs him to safeguard against.

### It's a Give and Take Relationship

How is the best way of getting this two-way cooperation, you with the paper, the paper with you? The most effective way, at least in light of one editor's experience, is to go in and have a complete let-down-the-hair chat with the editor. You have a job to do. Here is what you are shooting at. This is the way you hope to accomplish it. You will at all times make available—expedite, or facilitate getting—the facts to the paper. In return, all you ask is that the paper be fair to the objectives you outline in the conversation you have with the editor.

Oliver Wendell Holmes, the great jurist, once made the remark that "to vindicate the obvious is more difficult than to elucidate the obscure." That can be made to apply to public relations and newspapers. There are certain obvious courses of approach between public relations people and editors. They are the direct ones. They are the ones from which the greatest mutual good is accomplished.

Too frequently, however, public relations people indulge in fancy plays, in end runs, in lateral passes, and seek to obscure the issue rather than to develop its obvious aspects. In the end, penalties are paid—the penalties of poorly presented material, and of inadequately reported and inexpertly written stories which in a single issue of a paper undo the work of months or years.

The editors of America are just beginning to understand the function of public relations. Until recently they believed, and not always without reason, that the public relations counsellor was the suppressor of news, the thwarted of information, the block thrown into the path of the reporter at work on a story.

Enlightened and sensible public relations counsellors, realistic and really comprehending the underlying importance of a specific integrity of relationship, have done much to dispel this early notion, and to establish the sound one which is gradually being accepted in journalistic quarters.

### Community Responsibility of Editor and Publicist

We live in a complex industrial society. Every community is different. Every plant within the community has its own highly individual problems. The individual community and individual plant are frequently influenced toward their behavior by the national tides and crosscurrents.

Therefore, the editors and public relations counsel both have the important responsibility of knowing not only their communities but the country as a whole, and relating all of this body of information to their own respective functions.

For these reasons, the public relations man and the editor ought to be on easy and friendly terms. Even when nothing is happening, they ought to get together. They ought to do this at the instance of the public relations man more than of the editor, although he, too, should always be on the alert for fitting the strands of his community into a pattern.

For the editor it may be said that he is seeing a constant procession of people, not all of them public relations counsel for business, but individuals with their problems, officials with issues, listening day by day to the many voices of his community. Since the public relations counselor is concerned mainly with one plant, factory or office, he is in a better position to initiate the meeting.

But it is to their mutual advantage that they meet frequently, and especially at times when there is no apparent reason for it. Such meetings enable them to develop mutual understandings, and a common basis for cooperation in providing the public with useful facts, constructively interpreted.

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### Editors' Note

The attitude of most editors towards public relations and publicity is traditionally defensive. They hesitate to admit, even to themselves, the extent to which they depend upon public relations and publicity people to provide the editorial—i.e., news and features—content which their readers demand.

The editor's dependence on publicity material is particularly obvious in metropolitan newspapers. If the flow of publicity were suddenly shut off, the cost of producing the modern newspaper and maintaining its editorial standards would be prohibitive. Many departments in the larger newspapers depend on contributed publicity for the larger part of their editorial content. This is true of women's pages, and particularly of food departments. To a large extent it is also true of entertainment pages, book departments, and automobile sections. To a lesser degree sports and financial departments depend on and have no hesitation about using the output of publicity men.

### New Relationship Develops

The important thing is that the business of subsidizing reporters and department heads through outside jobs, specious retainer fees and extravagant gifts has almost disappeared. The outstanding exception to this rule is to be found in some sports departments.

The publicity departments of some industries have been looked upon as auxiliary services by departmental editors. A case in point is the automobile industry. From the very beginning relations between automobile makers and the press have been exceptionally cordial and almost completely ethical. Every automobile publicity department is geared to do research, hunt out facts and provide informational background to automobile editors. Certainly the early growth and the universal acceptance of the automobile is owing in substantial degree to this relationship between the industry and the press.

Newspaper editors and publishers are gradually coming to a recognition and acknowledgment of these facts. This is partly because newspapers as business establishments are beginning to set up their own departments and to practice public relations on an organized basis. This rather grudging acknowledgment is also in recognition of the fact that the idea of service to the editor and his readers is coming to dominate the operating philosophy of all good public relations departments.

—G. G. and D. G.

## HOW TO HOLD A PRESS CONFERENCE

BY CHARLES C. CARR  
Director of Public Relations,  
Aluminum Company of America

XXI

### T

#### HE DECISION ON WHETHER

or not to hold a press conference should always be based on how well the occasion fits the standard definition of such a meeting. So, let's start with a definition. A press conference is a get-together of news disseminators and a worthwhile news source, for their mutual advantage.

News purveyors are the people who work for newspapers, magazines and radio. Whether they represent a single news outlet, a press association or a radio network, they are busy individuals who attend a press conference only when there is a likelihood that there will be available some of that commodity in which they deal, i.e., news. The news source is an individual, company, or group having some of this commodity which can best be released on a non-competitive basis to all the news distributors at one time.

The press conference, properly planned and intelligently handled, can be an ideal method of help to all concerned. Too often, however, a press conference proves to be a liability rather than an asset. The news

source may forget the fundamental above mentioned. For example, some years ago, a very good public relations man forgot it temporarily when he allowed some of his associates to call a press conference in his swank New York offices to permit the news writers to "meet" him. The writers came, expecting an important announcement. There was an exchange of pleasantries, nothing more. The news writers left without a story. Several weeks later, when he really had some page-one news, he called another conference but only two or three news men showed up.

### When a Press Conference Is in Order

The President of the United States can have a regularly scheduled press conference and it will be well attended, whether or not there is a big story. On the other hand, the public relations head of a company or association had better have something newsworthy on tap. The President is always news because of his position; the public relations man is a news source only when he has news to give out.

I can confess a similar "boner" from my own experience. It happened in Washington a few years ago when my company and one of the unions with which we deal were before the War Labor Board on an important and newsworthy fundamental issue. The news writers were covering the hearing closely. One afternoon, much to my surprise, an enthusiastic young assistant invited a dozen top-flight newsmen to meet me during the cocktail hour in our quarters at the Carlton Hotel. Luckily, I knew most of these men and I bailed out by promptly apologizing for bringing them together when we had nothing new to report. We visited briefly and I think those busy men forgave me.

### PRESS CONFERENCES WHICH YOU INITIATE

A press conference can be a valuable public relations technique if it is justified in the first place. Once you have a sound, newsworthy reason for the conference, you should proceed carefully with your plans. In this instance, I am referring only to press conferences where the timing and the planning originate with the news source. Another type of press conference will be discussed later.

Let's suppose you have some news which you wish to release simultaneously to the news outlets. Let's also assume that it is a story which cannot be completely covered by a press release; that questions will be asked to clear up certain points; that controversial issues may well be brought up; and that only a frank discussion can clarify the position of

your company, your organization or your client. By all means have a press conference.

### Whom To Invite

Who should be invited from the press? That depends upon the character of the story. If it is of general interest, you should include the press associations, radio people and newspaper staff men selected by the city desk. If it is a financial story, your list should include those who write that kind of news. If it is a sports story, the sports writer should be invited. If it is a scientific or technical release, be sure you select the writers most interested. When in doubt, call the active desk men in charge of the various news outlets. State your case frankly to them, and ask them to assign a man or tell you whom to ask. In all cases, unless the story is highly specialized, it is wise to invite representatives of the press associations. However, you should tell your point of contact in the press associations the type of story which your conference will develop so that the right man can be sent if they wish to cover it.

### How To Extend the Invitation

An oral invitation, handled on a personal basis, is usually better than a more formal, written one. If you feel it is necessary to write one, make it as friendly and informal as possible. Don't be pompous—and don't over-promise. It is far better to say, "If you can come to Room X at 3:00 p.m. tomorrow, I believe we will have an interesting news announcement," than to say, "At 3:00 p.m. tomorrow, the So-and-So company will make a spectacular and momentous statement of great importance."

### Make Working Tools Available

Arrangements for your press conference should be made carefully, without any attempt at formality. Working newspaper and radio men and women are busy people who will want to get down to cases as quickly as possible. Arrangements for the convenience of news people are important. Be sure that several telephones are easily available for use either from the location of the press conference or nearby. At times it may be desirable to set up a temporary press room with a few typewriters, desks and paper. Don't forget carbon paper. Most writers automatically make carbon copies for additional outlets or for their own files.

Press releases, carefully prepared and filled with the essential facts, should invariably be distributed at the opening of the conference. Any

necessary background material, such as history, statistics or maps bearing on the news in the release, should be distributed at the same time. This background material will not be printed in detail, but it will be helpful to writers in making a proper interpretation of the news which you give them. Furthermore, it will save time by answering in advance some of the questions which inquiring reporters may ask.

### Who Speaks for the Company?

Who should attend the press conference as the spokesman for the news source? This again depends upon the character of the news, but one fundamental should always be observed—regardless of the type of news. Always have present someone in an executive capacity who can be quoted. Writers dislike the dodge of having to say, "according to a spokesman for the company." The public also resents it. Anyway, names make news.

If the conference story has to do with general company policies, the chairman of the board or the president is the proper representative. If neither is available, an executive vice president can do the job. If the news is about research or technical development, the director of research or some qualified scientist approved by him should do the talking. Should the story be on a financial subject, the treasurer or comptroller may act. In any story having to do with labor relations, the executive in charge of employee relations should definitely take over. In such a situation, he should be present to answer questions even if he decides that the board chairman or the president should make the initial statement. If the news concerns sales policy on prices, new sales programs or products, the vice president in charge of sales should either take over or be present to answer questions. In a story which has to do with new plans or operational changes, the top executive in charge of operations or engineering should be on hand.

There are times when the director of public relations can be the spokesman for his company. In such cases, however, he should have sufficient standing in his own executive group to speak for the news source, to answer questions and to permit direct quotes, if necessary. Most good public relations men have a passion for anonymity, which is an asset, not a liability. They prefer to remain in the background and to present the particular company executive best qualified to speak.

### Briefing the Spokesman

This may sound as though the public relations man's job is done when he sets up the machinery for the conference and brings all these

people together. Far from it. He must remember that his own executives, while efficient in their own fields, are usually untrained in this sort of give-and-take affair. Very few of them understand the distinction, known to all news men, between on-the-record and off-the-record statements. Everything in the press release and the background material is, of course, "on the record," and can be used as privileged matter. On the other hand, what is said in answer to questions must be clearly defined. But a statement made to clarify a point may be either on or off the record.

When the news writers understand that the executive is simply giving further clarification to a point, with an illustration or a comment on which he does not care to be quoted, they will respect an off-the-record request. They are usually wise enough and fair enough to appreciate the fact that it would be too difficult for him to explain his point in the few words which could be enclosed in quotation marks. Many business executives, however, do not understand this and frequently give an impression of not being frank by handing out curt answers, or by refusing to comment. It is far better to say, "Well, on that point, our release speaks for itself but, off the record, I can give you some help in understanding it," than to reply with a curt "No comment."

The public relations man should not hesitate to coach his own executives ahead of time in order to prevent the conference from bogging down, or ending with a feeling on the part of the writers that the news source has not been as forthright as it might have been. There are also times when he will have to step into the conversation with one or two well-chosen remarks to clarify a point, or bring the discussion back to the objectives which he visualized when he planned the conference.

#### Social Aspects of Press Conferences

We have talked about procedures enough, I trust, to give the impression that a press conference is a business meeting and not primarily a social gathering. There may be times when refreshments, liquid and otherwise, are in order, but under most circumstances they are out of place at a real news conference. News gatherers attend such conferences in search of the commodity which is their stock in trade. They are working at that time. They will do their playing afterward.

Gatherings of newspaper, magazine and radio people, called together to preview a new motion picture, a sound slide film, a radio idea, a new product or a group of products are often in the form of cocktail parties. Such social functions are entirely proper under the circumstances. No spot news is coming out to necessitate the quick use of the news facil-

ties. Writers can take their time, under pleasant surroundings, to get the feel of what the party is all about. But this is not the case with the important, spot-news conference. In my opinion, refreshments are usually out of order at such a meeting.

### Watch Your Timing

The question of timing is all-important in a press conference. Space limitations make the competitive battle between news stories a struggle for the survival of the fittest in every news room. Many a carefully-planned press conference has fallen flat so far as news coverage went because other, more important, news events crowded the story out or cut it to a bare announcement and buried it in the back of the newspaper. No public relations man is sufficiently gifted to see ahead and to anticipate a non-competitive day for his news announcement. He can, however, use ordinary judgment and avoid the days that he knows will be bad for him and his story.

There are phases of timing that have little to do with the competition of other news. On these the public relations man can use his own judgment. In his industry, or in the country at large, there is a right time and perhaps a wrong time for the particular announcement he wishes to make. If his story is about price changes, and he waits to follow a pattern already established by others, it will have little news value. If, on the other hand, he has such a story which goes against the recognized stream, he should shoot it fast. An example of such a press conference was the Ford Motor Company announcement of a reduction in price, early in 1947, when many other prices were being raised.

If the story is on a labor matter which affects a whole industry or the country in general, it should be released, if possible, when it will have the greatest reader interest. It will have such reader interest if it helps to set a pattern. Should the story have to do with sales, sales policies or products, the timing should be carefully worked out with those directly in charge of sales, since they will know all about the customer and competitor angles involved.

### When Timing Pays Dividends

Occasionally, a "natural" occurs in the timing and quick action can take advantage of it. When Andrew W. Mellon died in 1937, his will, giving the balance of his considerable fortune to charitable and educational institutions, was made available on a confidential basis to the public relations man on the job. Handed this document on the day before the funeral, he obtained the consent of the family and the at-

torneys to release it immediately after the services, which were held on a Saturday. News of Mr. Mellon's death had been published widely and the funeral, as is the case with the funerals of most prominent people, was an important, but, nonetheless, routine story. The press associations, local newspaper men and visiting news writers from New York and elsewhere, were asked to meet the public relations man in his Pittsburgh office at 5 p.m. He then gave them a story which both they and he knew would make page one in Sunday papers all over the world. Mr. Mellon's death had occurred only a few days before and he and his life were still fresh in the minds of the readers, through news stories and editorials. The release of the will was much appreciated by the news writers as a natural piece of timing from the standpoint of reader interest.

### Don't Wear Out Your Welcome

Too frequent press conferences are not desirable. Their number can be limited to matters of genuine importance if public relations people will do a good day-by-day job in routine press relations. In order that our own people at the plant level and community level might become better acquainted with the simple fundamentals of press relations, we put out a little booklet entitled, "Hints on Working with the Press." It is a practical, homely document which defines news and tells our people how to present it. *Public Relations News* wrote a brief, complimentary item about the booklet. As a result, we have sent out over 700 copies in response to letters from top executives as well as public relations men in all sorts of companies and associations. This keen interest in "how to do it" is not entirely a tribute to the quality of this pamphlet; it is, rather, an indication of the aroused feeling on the part of all management that a better job needs to be done on a twenty-four-hour basis in dealing with the press.

### CONFERENCES WHICH THE PRESS INITIATES

Earlier in this chapter, mention was made of a type of press conference where the motive for it does not originate with the news source. I refer to those conferences which are more or less forced upon you by the clamoring of news writers for a statement. An event occurs, or some action is taken, either by the people you represent or by some governmental or other outside agency, which calls for a clarification of the position of your company or your client. In such cases, the best advice is to act promptly. Do not stall. Unless you present the facts and the

reasons that brought about the event or the incident, someone else will do the interpreting for you. These interpretations are likely to be misleading, largely because the writers of the stories and editorials are not in possession of the information that you can give them through a well-planned press conference during which facts are properly documented and intelligently presented.

#### Joint Conferences on Controversial Issues

Such press conferences, where news writers are clamoring for information, can be held with your company or client as the sole news



FIGURE 17.—JOINT LABOR-MANAGEMENT PRESS CONFERENCE AT WHICH RICHARD T. LEONARD, UAW VICE PRESIDENT, AFFIXED HIS SIGNATURE TO THE AGREEMENT REACHED BETWEEN THE UNION AND THE FORD MOTOR COMPANY. SEATED WITH HIM ARE MEL B. LINQUIST (LEFT), ASSISTANT DIRECTOR OF INDUSTRIAL RELATIONS, AND JOHN S. BUGAS, VICE PRESIDENT AND DIRECTOR OF INDUSTRIAL RELATIONS, FORD MOTOR COMPANY. STANDING ARE (LEFT TO RIGHT): MALCOLM L. DENISE, FORD INDUSTRIAL RELATIONS LEGAL DEPARTMENT; MANTON CUMMINS, FORD DIRECTOR OF LABOR RELATIONS; MAURICE SUGAR, UAW COUNCIL, AND THOMAS THOMPSON, PRESIDENT, LOCAL 600 (UAW-CIO).

source, or they can be joint conferences where both sides in the controversy have come to an agreement and wish to present the matter jointly. Such conferences, where management groups and labor union executives or committees make a joint presentation, are not uncommon. In such cases, there are excellent picture possibilities for any conference but they should not be forced. They should be permitted if there is a request for them. Joint conferences offer the best possibilities because they provide action pictures such as the signing of an agreement, the shaking of hands, or other signs showing that peace, either temporary or permanent, has followed a period of controversy.

Frequently, public relations men have successfully staged conferences between governmental agencies and industrial concerns. Ofttimes, these are worked out through the cooperation of the public relations people representing the government with those who perform this same function for the company or the client. Wendell Willkie and David Lilienthal staged such a conference at the time TVA and Commonwealth and Southern reached their settlement after a long and much publicized controversy. You will doubtless recall the pictures showing Lilienthal handing Willkie a sizable check and the latter's famous remark, "This is a lot of money for two Indiana farmers to be bandying about."

There have been similar conferences in which industry and government have jointly presented the news facts, following an agreement on some matter of general public interest. I recall several of them in which my company was one of the participants. One instance was the joint press conference in Washington with TVA and Alcoa, presenting all the facts and figures in the interchange agreement whereby the governmental agency and the company arranged for an exchange of power between TVA's hydroelectric projects and those owned by Alcoa in the Tennessee Valley watershed. This conference, held in 1939 before war clouds gathered, was well attended by newsmen who got a clear picture of what it was all about.

There are doubtless many similar illustrations where the use of the press conference technique, with both sides appearing, can clarify a controversial matter. In such cases, it is especially desirable to have top executives on hand. It is also wise to be adequately supplied with background material. The principal rules to observe in such a situation would seem to be promptness, frankness and as complete information as can be furnished. Make reporters feel you are providing news and not promoting selfish interests.

In summary, whether or not to hold a press conference must rest upon the importance of the news you have to offer. Once you have

decided to use this type of public relations technique, be sure to observe these simple rules:

#### CHECK LIST

1. Don't hold a press conference unless you have a genuine news story to give the reporters.
2. Use the press conference to release news that cannot be surely or adequately covered by a release. Many complex, controversial situations can best be clarified by the press conference technique.
3. Be sure the reporters and editors you invite to the conference are those most interested in the type of news story you are releasing. If you're in doubt, ask the city editor to assign a man or tell you whom to ask with the nature of your story in mind. He will welcome being consulted.
4. Oral invitations to a conference are generally preferable to written ones. If you prefer to write, make the invitation friendly and informal.
5. Avoid over-promising on the significance of your forthcoming news story.
6. Make your arrangements for the press conference informal, and get down to brass tacks quickly.
7. Be sure there are several convenient telephones which can be used by the press if required. Sometimes a temporary press room will be needed. If so, provide typewriters, desks, paper, and carbon paper.
8. Distribute your basic press release at the beginning of your conference. Any necessary additional background material should also be given out at this time.
9. Make certain that someone in an executive capacity, who can be quoted, is present as the spokesman. Names make news. He should be the executive best qualified to speak on the particular subject of the news story.
10. Remember that releases and background material given out are "on the record."
11. Brief the spokesman thoroughly, before the conference is held, on frankness in giving answers. Be sure he understands that it is better to clarify difficult points by occasional "off the record" remarks than to be curt or to refuse comment.
12. The public relations man should be ready to guide the confer-

- ence's proceedings by occasional well-chosen remarks, if matters threaten to bog down in any way.
13. A press conference concerned with spot news is a business meeting. Under such circumstances refreshments are out of place. They may be in order under special conditions, as at leisurely previews of motion pictures, new products, and the like.
  14. Timing of the press conference is all-important. Use your best judgment and rely on your experience in setting the time and place. When possible, hold the conference on a day—or at an hour—when it is reasonable to suppose that coverage possibilities will be most favorable, and your story is most likely to attract maximum reader interest.
  15. Holding press conferences too frequently is not desirable. Be sure the news is important enough to merit the extra time and effort a conference requires.
  16. Permit the taking of photographs when requested, if at all possible.
  17. Joint conferences, particularly on controversial subjects, can often be arranged between both parties to the controversy, particularly when an agreement has been reached. Top executives should be on hand for such conferences.
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### Editors' Note

One of the commonest and most dangerous errors by public relations executives in arranging press conferences is the misjudgment of the importance of the occasion. The first question to be asked when such a project is contemplated is whether the release could not be handled as well or better by routine procedures. Press confidence is easily destroyed by the calling of unwarranted press conferences.

Remember that editors and reporters are not only busy people but they have long memories. One useless and time-wasting press conference can destroy good-will that has been years in the building.

Practically every newspaper and radio station in any metropolitan center maintains an informal list of organizations and public relations consultants whose conferences are ignored as a matter of routine because in them the ethics of press relations have been flagrantly violated in the past.

### An Editor Appraises Press Conferences

Let one well-known and tolerant editor speak for his contemporaries on this point. After patiently enduring a long series of violations of the principles of sound press relations, Ralph W. Cessna, chief of the Central News Bureau of the *Christian Science Monitor* wrote and syndicated to several million readers the following:

"Almost every week we get notices of various kinds of press conferences. Some obviously are musts. Some are doubtful. Some meet a need of the press; some serve, at most, the purposes of a group.

"The risk is that the press conference will lose its significance as a reportorial device if there are too many 'wolf' cries. We may be less inclined to give proper attention to really important occasions.

"If you plan to call a press conference, phone some friend in the newspaper business first and ask him if the news to be given out warrants it. If he is encouraged, he will be frank.

"The press conference has begun to deteriorate in the hands of zealous but inexperienced and sometimes too narrowly selfish press agents."

Few corporate executives have any substantial experience in press relations or in the handling of press conferences. Whenever possible these occasions should be planned and directed by an experienced public relations executive.

But the rules laid down in this chapter should guide the procedures of the managements of small and medium-sized corporations who may have no public relations department.

Some light on other aspects of press relations will be afforded by Chapters XVIII, XIX and XX.

—G. G. and D. G.

## COMPANY PUBLICATIONS

BY CHARLES C. MERCER  
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of Industrial Editors

■XXII

**T**HE PURPOSE OF THIS CHAPTER is threefold: first, to present the company publication in its true light as a powerful tool of public relations; second, to trace its history, growth and development; and third, to indicate how to make it most effective.

At one time regarded as a palliative to be applied to temporary or local disorders, or as a gossip sheet for the entertainment of a "big happy family," the company publication now ranks with newspapers, magazines, radio and motion-pictures as a major medium in our adult educational system.

This position in the area of public relations has not been thrust upon it. The company publication has earned its way by positive achievement. Today few concerns of any importance overlook the obvious benefits to be obtained through the regular use of a well-edited company publication.

### Defining the Tool

The term "company publications," as employed in the following pages, embraces a wide and rapidly expanding variety of periodicals. Admittedly an impressive majority of these periodicals are issued by productive or distributive companies or corporations operated for profit; but the amazing development of modern publicity and public relations in recent years has stimulated the extension of the company-publication technique into many fields apart from strictly business institutions.

Among the groups of organizations which issue periodicals similar in type—and often in objectives—to company publications, are associations of all kinds, trade and general; schools, colleges and other educational institutions; eleemosynary organizations of all kinds; fraternal societies; medical groups; chambers of commerce; realty boards; and local, state and federal governing units, including Federal Reserve Banks, arsenals and other army, navy and air installations.

### The "House Organ"

Up to a comparatively few years ago the term "company publication" was seldom used. It is, of course, a successor to the earlier term "house organ"—a description still freely used by many, but one which evokes a frown of disapproval from most professional editors today.

This alteration of terms is doubtless due to changed conceptions of size and dignity. The somewhat archaic term "house" as a description of a business institution has a certain charm.

But such a conception is hardly consonant with the massive corporations of today, where the complete intimacy of the earlier institution may be lacking, but where hundreds or thousands of workers are united in a common productive effort.

The term "organ" presents even greater difficulties. Fraught with ambiguities and limitations, it is often the subject of questionable humor. *Funk & Wagnalls New Standard Dictionary* honors it with twelve definitions. Perhaps the major distaste for this word stems from the fact that the dictionary primarily defines it as "a wind instrument."

Whatever further objections may exist, it would certainly seem that the term "house organ" is an inadequate description for many of the elaborately presented industrial publications of today, which compare favorably with successful commercial publications found on the newsstands.

### Types of Company Publications

Before approaching the major issues of this chapter, it is desirable to describe the various types of company publications, as differentiated in the terminology of the editorial profession. These periodicals break down into three groups—internals, externals, and combinations—although the border lines and definitions are in some cases rather vague and inadequate.

*The internal publication* is published for, and in large part editorially produced by, the employees of a company. In many cases the internal publication has a limited distribution among customers, agents, local and community groups and others; but primarily it is directed to the paid workers in a given industry or business.

*The external publication* is sent to sales, branch and agent personnel; but it is intended primarily for dealers, customers, prospects, wholesalers, jobbers, retailers and retail salespeople. Usually the publication is sent free and regularly, although at present, because of high production cost, there are some cases where a small charge is made. For example, the Great Atlantic & Pacific Tea Co., charges five cents a copy for its external publication, *Woman's Day*.

*The combination publication*, of which there are a surprisingly large number, is directed both to the employee and to the customers and business connections of the company. Although objectives vary in different companies, its general purpose is to inform both its own employees and interested outsiders about the products, policies, plans and activities of the company.

It would seem that the combination publication might suffer, in some cases, from divided objectives, because each group undoubtedly finds material in the publication of little or no interest to it. This problem can be solved, in large part, by skillful editing. As against the preceding difficulty, the publisher has the important cost advantage of issuing only one publication instead of two. The combination has been very successful in many of the smaller, well-integrated companies.

### Why Start a Company Publication?

In approaching the formulae for issuing a company paper, the basic questions inevitably arising in the minds of shrewd executives are: "Why publish one? Is the investment justified? What do we get for our money?"

To find a satisfactory answer to these practical questions it is essential to analyze the motives of the hundreds of companies which are

issuing company periodicals today; and to consider the history and growth statistics of such publications.

Regardless of adversely critical opinions (usually from uninformed sources) or notable fiascos and abrupt discontinuances, one undebatable fact stands out in definite outline, namely:

*An overwhelming percentage of American industry today (in terms of size, importance and capital investment) is committed to the use of the company publication as an instrument for varied purposes. In spite of booms and depressions, this medium, as a result of consistent improvements in editorial skill and technique, has enhanced its value to the point where its popularity, prestige and acceptance is greater by far today than ever before.*

This fact is the more surprising to some because the gross cost of company publications is a formidable item in today's budgets. There is general agreement that the total expenditure for these publications is close to \$50,000,000 per year.

It is true that a small percentage are simple, mimeographed sheets with a circulation of a few hundred copies monthly, and an even smaller percentage is made up of elaborate four-color magazines, produced at obviously higher cost.

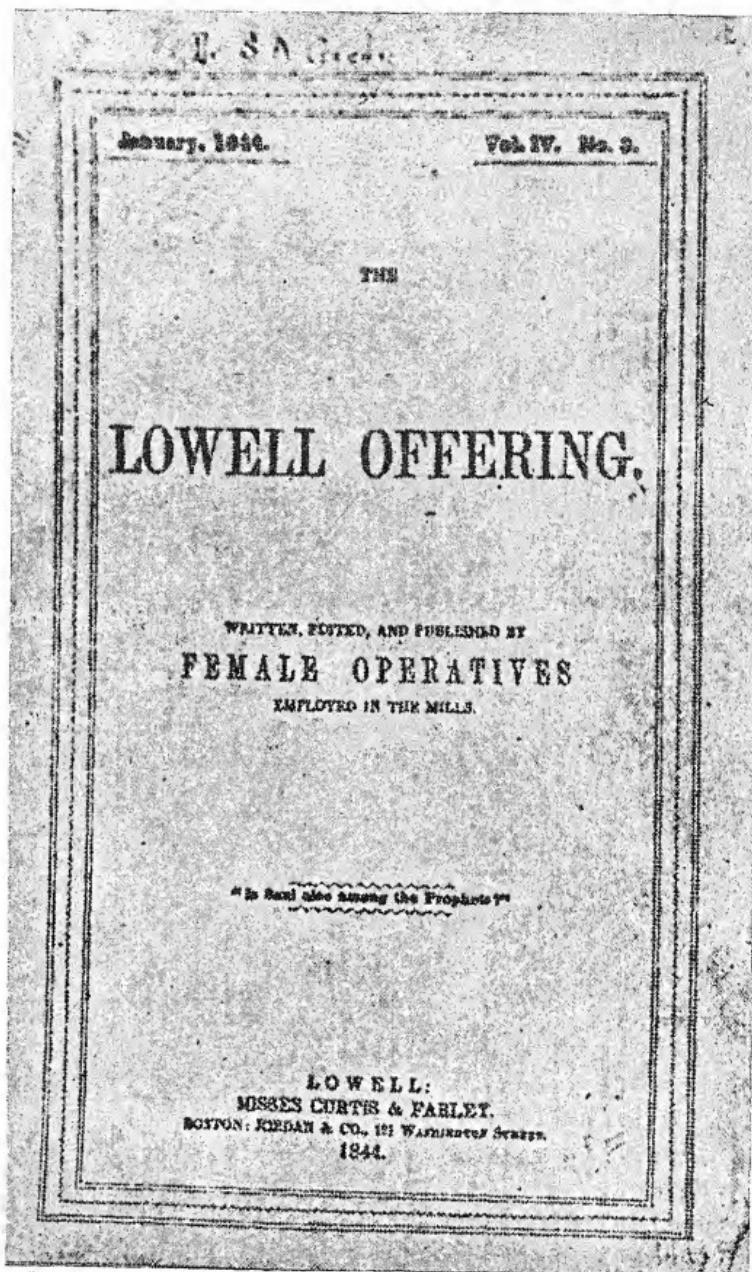
The great majority, however, fall between these extremes and are either tabloid-type newspapers or magazines with 8 to 48 or more pages, magazines which are mostly of the conventional sizes of commercial magazines.

#### Circulation of Half a Billion a Year

In any case, the statistical picture shows that approximately 40,000,-000 copies of company publications are distributed monthly, making a total circulation of almost half a billion a year.

It is hazardous to venture an estimate of unit cost, especially at present, when production costs of printed material are extremely high. Figuring however on carefully estimated costs averaged over the latest ten-year period and including production and mailing expense, an average of 10 cents per copy is a conservative figure.

It must be considered in this connection that this "average cost" includes hundreds of small, inexpensive papers of very limited circulation, little known to outsiders. The cost per copy of the more representative publications, widely circulated and well known as the best examples of modern company publication practice, often reaches 25 cents, and in some cases even more.



Courtesy of The Bettmann Archive

FIGURE 18.—COVER OF LOWELL COTTON MILLS' EMPLOYEE PUBLICATION, FIRST COMPANY MAGAZINE IN AMERICA, LAUNCHED IN 1840.



FIGURE 19.—TYPICAL EXAMPLE OF APPLICATION OF MODERN PUBLISHING TECHNIQUES TO THE INTERNAL COMPANY PUBLICATION.

Reverting to the original question, "Why start a company publication—is it worth its cost?", we may briefly consider the question of motivation.

## HISTORY AND GROWTH

Probably the original impulse to issue a publication stemmed from the desire of top management to be articulate. In the earlier and less complicated stages of corporate enterprises, business was far more *personal* than it is today. A business was the embodiment and expression of the man at the top who frequently had an idea to promote and who wanted to tell folks about it. A company publication was an invaluable instrument for this purpose.

The history of the company publication is sketchy at best because the growth and development of these publications has been so gradual that they attracted little general attention until a decade or two ago. Available records doubtless ignore many admirable examples, and new information is constantly coming to light.

We know, however, according to a recently published pamphlet, that:

"The plant paper of today is the current issue of a genealogical line which has been traced back to the Han Dynasty, existing in China more than 2000 years ago. 'House organs' got their start then as court-circular papers published by feudal lords, later becoming official gazettes.

"As early as 1696 the famous Lloyd's of London undertook the publication, *Lloyd's News*, which is published today as *Lloyd's List*. *Poor Richard's Almanack*, called the first 'house organ' in America, was published by Ben Franklin's Print Shop in the 18th Century, in Philadelphia. A number of our leading general and business magazines, such as *Atlantic Monthly*, *Harper's*, *Scribner's*, *Printers' Ink* and *Scientific American* were all published originally as 'house organs.'"

### Developed First in Industrial Centers

The New England States—perhaps because of their great concentration of industrial plants—have always been a stronghold of the company publication. Frank J. McArdle, then publications manager of the Holtzer Cabot Electric Co., writing in the July, 1944, issue of *Massachusetts Industry* stated that:

"The employee house organ originated in Massachusetts, in 1840. It was called *The Lowell Offering*."

Mr. McArdle continued:

"As its cover stated, the publication was prepared and written by the factory operatives of the Lowell Cotton Mills, 'exclusively by females actively employed in the mill.' The thin little magazine was read with widespread interest, not only by the factory operatives of the mills, but by their families and others. It sold for 6½ cents a copy.

"On his American tour in 1842, Charles Dickens visited the Lowell Mills and was greatly impressed by *The Lowell Offering*. In his '*American Notes*', written upon his return to England, he stated: 'They (the mill employees) have gotten up among themselves a periodical called *The Lowell Offering* which is duly printed, published and sold; and whereof I brought away from Lowell four hundred good solid pages which I have read from beginning to end. It will compare advantageously with a great many English Annuals.'

As will be observed in the following table, the development of the company publication was very deliberate during the latter half of the 19th century, but the movement shows notable acceleration from 1900 on.

It is interesting to speculate whether the development and improvements of the half-tone and other reproductive processes, as well as photography, which occurred towards the close of the century, played a large part in this acceleration; or whether the rapid growth of corporate enterprises in the first decade of the 20th century stimulated an appreciation of the need of company publications among top executives.

The oldest known company publications are:

<i>Sponsor</i>	<i>Publication and Year of First Issue</i>
Lowell Cotton Mills Lowell, Mass.	<i>The Lowell Offering</i> , 1840
The Travelers Insurance Co. Hartford, Conn.	<i>The Travelers Protection</i> , 1865
Hartford Steam Boiler I. & I. Co. Hartford, Conn.	<i>The Locomotive</i> , 1867
Aetna Life Insurance Co. Hartford, Conn.	<i>The Life Aetnaizer</i> , 1868
Fireman's Fund Insurance Co. San Francisco, Cal.	<i>Fireman's Fund Record</i> , 1878
Fidelity Mut. Life Ins. Co. Philadelphia, Pa.	<i>Fidelity Field Man</i> , 1879
National Cash Register Co. Dayton, Ohio	<i>The NCR News</i> , 1886

## COMPANY PUBLICATIONS

<i>Sponsor</i>	<i>Publication and Year of First Issue</i>
Merck & Co., Inc. Rahway, N. J.	<i>The Merck Report</i> , 1891
Pittsburgh Plate Glass Co. Pittsburgh, Pa.	<i>Pittsburgh Plate Production</i> , 1892
Conn. Gen. Life Ins. Co. Hartford, Conn.	<i>Connecticut General Bulletin</i> , 1898
The Ostrander-Seymour Co. Chicago, Ill.	<i>The Plate Makers Criterion</i> , 1899
Imperial Life Assurance Co. Toronto, Canada	<i>The Imperial Life Agents News</i> , 1900
Chase Bag Co. Chagrin Falls, Ohio	<i>Bagology</i> , 1901
The H. M. Rowe Co. Baltimore, Md.	<i>The Rowe Budget</i> , 1901
Phoenix Mutual Life Ins. Co. Hartford, Conn.	<i>The Phoenix Mutual Field</i> , 1901
Franklin Life Ins. Co. Springfield, Ill.	<i>The Franklin Field</i> , 1902
The Mut. Benefit Life Ins. Co. Newark, N. J.	<i>The Pelican</i> , 1903
Cumberland Tel. & Tel. Co. Nashville, Tenn. (Now part of Southern Bell T. & T. Co.)	<i>The Cumberland Journal</i> , 1903
Maryland Casualty Co. Baltimore, Md.	<i>The Marylander</i> , 1904
National Blank Book Co. Holyoke, Mass.	<i>The National</i> , 1904
Continental Casualty Co. Chicago, Ill.	<i>Continental Agents' Record</i> , 1904
Broderick & Bascom Rope Co. St. Louis, Mo.	<i>The Yellow Strand</i> , 1904
Erie Railroad Co. New York, N. Y.	<i>The Erie Magazine</i> , 1905
Atchison, Topeka & Santa Fe R. R. Chicago, Ill.	<i>The Santa Fe Magazine</i> , 1905
Crane Co. Chicago, Ill.	<i>The Valve World</i> , 1905
Royal Typewriter Co. New York, N. Y.	<i>Royal Standard</i> , 1906
Trumbull Electric Mfg. Co. Plainville, Conn.	<i>Trumbull Cheer</i> , 1907
The Equitable Life Assurance Society of New York	<i>Equitable Agency Items</i> , 1907

<i>Sponsor</i>	<i>Publication and Year of First Issue</i>
E. I. duPont de Nemours & Co. Wilmington, Del.	<i>Du Pont Magazine</i> , 1907
E. F. Houghton & Co. Philadelphia, Pa.	<i>The Houghton Line</i> , 1908
LaSalle Extension University Chicago, Ill.	<i>Personal Efficiency</i> , 1909
The Inland Press Ashville, N. C.	<i>Tips</i> , 1909
Norton Company Worcester, Mass.	<i>Grits and Grinds</i> , 1909
Hartford Fire Insurance Co. Hartford, Conn.	<i>The Hartford Agent</i> , 1909
N'Western Natl. Life Ins. Co. Minneapolis, Minn.	<i>N'Western National News</i> , 1910

Many small publications were started prior to 1910, but most of them, years ago, passed into the limbo of the lost. Their existence and passing have not been recorded. Nevertheless they played their part in initiating the company publication movement.

#### Rapid Acceleration in Wartime

The period following 1910 produced a rash of company publications—especially in the sales promotion field. With the beginning of World War I, however, conditions changed abruptly. In most respects the situation closely paralleled that of World War II. Producers in almost every line found that sales required no stimulation; scarcities developed almost immediately; prices and profits skyrocketed and the problem became one of production, and more production, regardless of cost.

Active competition for labor resulted. Many producers reached the conclusion that everything possible must be done to make their plants attractive places to work—not only as to wages, but also as to agreeable working conditions and supplementary benefits. They therefore decided that the company paper was an excellent medium for publicizing the attractions of the plant and also for stimulating production by morale building, appeals to patriotism and promotion of competition in productive effort between departments and individuals. As a result, a great many excellent internal papers were started at this time, and a substantial percentage of them are still in active existence.

A great many astute companies continued their sales publications, with modified emphasis, throughout the war. Management was well aware of the likelihood of quick transition from a sellers' to a buyers'

market at the end of hostilities, and wisely continued their efforts to keep their names before their customers and prospects.

Because of cutbacks and also because of the closing of plants created for the war emergency, the number of internals declined after World War I. In 1921 there were about 335 such papers; by 1928 the number had increased to 575. By the end of 1930 the number of internals had declined to 280.

### Becomes Potent Labor Relations Tool

From 1930 to the start of 1936 there was little growth in internals. Between 1936 and 1941, however, because of changing labor-management relations, business began to feel the need for internals for the purpose of increasing industrial harmony. As a result, there was a sharp upturn in the number of company publications during this period. By the end of 1941 the total had risen to 1,000; by 1943 the number had passed the 3,000 mark, and 1945 saw more than 5,000 in the field.

The preceding figures from 1941 on, apply to *all* company publications—not to internals alone. Unfortunately a break-down of the number of internals started in the period from 1930 to 1944 is not available; but it is definitely established that the gain in total publications was primarily due to the great increase in internals, especially in the later war period.

All of the above figures, as well as those that follow, include both United States and Canadian publications. Our friends across the border have always been alert to the need for company periodicals, and many excellent publications are produced there. The Canadian publications represent between 6 percent and 7 percent of all such papers issued north of Mexico.

### Big Companies Do Chain Publishing

An imposing percentage of the companies issuing publications have two or more papers. Some of the larger corporations with a number of plants spread over a wide geographical area, or with a number of subsidiaries or divisions publish from five to twenty-five papers from different plants. Some of these have a common name, for example, *The Wingfoot Clan* of the Goodyear Tire & Rubber Co., Inc., of which fifteen editions were published at the height of the war in Goodyear's widely separated plants in the United States and Canada.

Other large companies issue a variety of papers with different titles, depending on the product manufactured in the particular plant, the history of the paper or some other factor. In a number of cases the papers all have their own editors, but an executive editor is employed

at corporation headquarters, with supervision of and responsibility for, all company publications.

Many companies issued five or more papers during the war; most of which are still in existence. A partial list of these—by no means complete—includes:

Allis Chalmers Mfg. Co.	Owens-Illinois Glass Co.
Aluminum Co. of America	Phillips Petroleum Co.
Bendix Aviation Corp.	Pullman-Standard Car Mfg. Co.
Container Corporation of America	Radio Corp. of America
E. I. duPont de Nemours & Co.	Remington Rand, Inc.
Thos. A. Edison, Inc.	Rheem Mfg. Co.
General Electric Co.	Shell Oil Co., Inc.
General Motors Corp.	Standard Oil Co. of New Jersey
B. F. Goodrich Co.	The Texas Co.
Gulf Oil Corp.	Tidewater Associated Oil Co.
Hercules Powder Co.	United Parcel Service
International Harvester Co.	Westinghouse Electric & Mfg. Co.

In the preceding paragraphs an attempt has been made to present, in barest outline, some of the basic reasons why thousands of astute executives have started publications in the past; why thousands continue these publications today; why many are expanding their publications; and why hundreds of new ones are being started.

Whether or not a given company should start a publication must depend upon its special problems and situation, as the company publication is by no means a cure-all. No one should undertake to publish such a medium without a clearly defined purpose and sense of direction, and a willingness to shoulder the cost and continue the publication long enough to prove its value.

#### Number of Publications

Reverting to history, it was to be expected that internal publications, at least, would shrink violently in number after V-J Day. Many of these were started solely to boost war production, as is indicated by such titles as *Alcoa Warrior*, *Bomb Rack*, *Attack*, *Coleman Victory News*, *Columbia War Production Facts*, *The Commando*, *Dodge Victory Messenger*, *Edison Men at War*, *The Fighting Koveneer*, *Home Front News* (from six different companies) *Mills Warrior*, *Ryerson War Bulletin*, *Steel for Victory*, and many others.

Some of the plants which produced them have been liquidated entirely (particularly in the aviation, ordnance and shipbuilding fields), or converted to products which required reductions in the labor force

to the point where management considered a plant paper unnecessary. Contrary to general expectations, however, the decline in number since the wartime peak of over 5,000 has been less than 15½ percent, and the number of new publications has more than taken up this slack.

### BASIC PRINCIPLES

The following suggestions are intended primarily for organizations contemplating a company publication for the first time. Most of them, however, are equally applicable for those who may be planning the reactivation of a former paper which has been discontinued or for present publishers who are discontented with the results of their publications and may be groping about for remedial changes in policy or procedure.

#### Study Company Publication Background

Familiarize yourself with the history, growth and essential statistics of the company publication. By so doing you will gain a conception of what these publications have done for others and what a similar publication might do for you.

#### Set Company Policies

Decide at the outset whether your company is the type of organization which, by virtue of its history, present activities and future plans, can benefit by issuing a publication. Some worthy, well-managed companies in the past have started publications which have been discontinued, in spite of adequate presentation, because internal conditions of various kinds were unfavorable to their success. On the other hand there are many organizations in which a well-planned periodical would knit together a lot of loose ends and prove an invaluable instrument for the promotion of essential internal or external policies.

#### Define Aims and Purposes

Determine definitely what you wish to accomplish by starting a publication. Decide upon your objectives and shape your program to achieve them. Don't start a publication in a spirit of imitation, simply because your competitors issue papers which are highly commended.

#### Formulate Publishing Policies

Having determined your objectives, set a definite—but not too rigid

—policy for attaining them. This requires decisions on fundamental problems.

Do you wish your paper to be aggressive, colorful, even mildly sensational; or conciliatory and conservative?

Are you prepared to start a relatively costly and elaborate publication which will greatly impress readers from its inception or do you prefer to start your paper inexpensively, on a modest scale, with the intention of expanding it later?

If you are considering an internal, your policies must be shaped to accomplish some or all of many purposes. Some of these major objectives are:

1. To build up an esprit de corps; to make your working force, in so far as possible, contented with their jobs and surroundings and willing to give you their loyalty and support because they feel that you and your executive associates are "the right guys to work for."
2. To increase production—by publicized incentives, by inspiring friendly competition, by publishing and rewarding suggestions, by explaining the urgency and advantage of greater production and reduced costs, or by any other ethical means.
3. To quiet labor unrest. The procedures adapted to this purpose are too involved for discussion or even for outline here but it is important to tell the employee of his importance to the company and of the future and security he may enjoy as a reward for satisfactory service.

*It should be emphasized that the company publication is one of the most effective media for the presentation of management's policies—and the strongest bulwark against adverse propaganda that may appear in the 800 well-edited labor papers which pull no punches, and are circulated monthly to 15,000,000 workers and their families.*

4. To provide the working force with information about the company—its background, history, past accomplishments, products, plans and projects, outside reputation, problems and, in particular, its financial status and operations.
5. To contribute to the education of workers by well-selected articles on such subjects as history, economics, current events, world affairs, science and inventions, human progress, etc., as well as providing the practical help for everyday living, so well presented in special sections and in the woman's pages of many excellent company publications.

Other projects which merit careful consideration are the promotion of health and recreation, social activities, savings, cooperatives and community cooperation.

### Planning the External Publication

If you are considering an external, the policy decisions are much less complicated than in the case of the internals. The external is primarily intended to promote business by increasing sales or expanding distribution. *A properly edited external, because of its elasticity, regularity, and readability, can contribute to business promotion by many approaches which could not be made, even at much greater cost, by the ordinary methods of direct mail or even by trade publication or general publication advertising.*

The primary policy questions to be decided by a company planning an external are:

1. How many sales, customer or prospect groups should be covered in the paper's circulation? This decision is predicated on cost, inside conditions and problems and general objectives.  
(In many cases externals, and often internals as well, are distributed to directors, company bankers, community leaders, stockholders, and others who may have a direct interest in the finances and general progress of the business. There are many obvious advantages in such distribution.)
2. Should the major emphasis be placed on institutional promotion (by publicizing the history, size, facilities, leadership and stability of the company) or
3. Should it be placed on product or service *selling*; in other words, should the publication be used mainly as a vehicle to offer present available products and to announce other products or services soon to be available? Most publishers prefer a happy medium which promotes both institutional prestige and immediate or future business.

### Pattern for the Combination Publication

If a combination publication is planned, the same decisions as those outlined above must be made with respect to both the internal and external publication objectives. A further decision of real weight is which of these is of greater importance in your particular case.

The situation is simplified somewhat by the fact that much interesting content, such as historical material, product discussions or company plans, is equally acceptable to employees and to "outsiders."

### Get Sound Advice on Production Costs

When the decision to start a publication is made, the grim spectre of production cost immediately rears its ugly head. Cost, of course, depends upon the character of publication desired—its size, number of pages, method of printing, paper, number of colors, format (whether newspaper or magazine), circulation, distribution, and many other details.

The obvious approach is to consult with your printer or printers, with consultants who specialize in this field, or with others whom you consider qualified for this type of production, and get estimates. It often happens, however, that your printing contacts, however competent and responsible, may have had little experience with company publications. Even if they have, it would be advisable to check their suggestions and estimates with other companies which are issuing periodicals physically similar to the one you contemplate.

You doubtless have business friends or connections who can give you valuable advice and information, from their own experience. If you wish to broaden the investigation you can correspond with other company paper publishers whose names are available through the *Printers' Ink Directory of House Organs*, a local editors' association, or the International Council of Industrial Editors. Most of these publishers will cheerfully cooperate and send you samples of their publications, with approximate costs, and, usually, with much helpful counsel.

### Selecting the Editor Most Important

The most important step preliminary to the actual launching of your publication is the selection of a qualified editor. Many editors are available, but by no means all of them are qualified to undertake the responsibilities of editing this important periodical.

This is because a qualified company publication editor must know what is going on inside and outside his company; he must know all about his organization, policies, practices, people and plans; he must be able to see his job from management's viewpoint and be able to size up the needs and interests of his readers.

And, in addition to all this, he must be a capable writer and editor; he must know design, artwork, lay-out, make-up, production, distribution, indexing, budgeting and accounting. The fact that current editorial standards are high and that requirements are becoming increasingly more demanding, points up the conviction that able editors should

be adequately compensated for the constructive work they do and for the dual responsibility they carry.

It is no exaggeration to state that the success or failure of a company publication is in large measure determined by the calibre of its editor. He is the spark plug of the project. His qualifications will be discussed in some detail later. Suffice it to say here that he must have experience and a love of and gift for forceful writing. He must have executive qualities. He must have the vision and perception to understand the policies laid down for him by management, and to interpret these policies in the printed word. He must have tact and diplomacy, a genuine liking for people at all levels, and real enthusiasm for his work.

#### Competent Editors Can Be Found

The selection of a suitable editor might seem to be a difficult undertaking. Fortunately, however, many well qualified men and women usually are available. Many veterans had splendid experience during the war in publishing, in public relations, and in personnel fields. Many men and women of real capacity have recently been graduated from the several excellent schools of industrial journalism which are in operation in colleges and universities throughout the country.

Good editors are obtainable through various channels. News that a new publication is contemplated spreads rapidly, and applications for the editorial job will soon come in. Newspaper and magazine want ads often attract desirable applicants. Many of the local or regional industrial editors' associations, such as the House Magazine Institute of New York City, the Industrial Editors Associations of Philadelphia, Chicago, and Massachusetts, and other large groups maintain well-organized employment bureaus.

An increasing number of educational institutions are giving courses in industrial journalism. They are a valuable source of company publication personnel. Among them may be mentioned Columbia, which offers graduate work, Oklahoma A & M, which now offers a degree in industrial journalism, Rutgers and Western Reserve which include courses in their extension divisions, Medill School of Journalism of Northwestern University, Emory University in Georgia, Kent State University, Simmons College, Washington University in St. Louis, and a number of others.

#### Good Editor Needs Only Policy Guidance

*After your objectives and policies have been determined and an acceptable editor selected, give him his head, and let him run the publication.*

This presupposes that you have set up an adequate budget and indoctrinated him thoroughly in the policies which you wish to pursue, as well as the limitations which he must observe. But having given him a fair start, let him carry on as long as he produces, and give him your complete support.

It is highly desirable that a definite time for brief conferences with the chief executive, or his responsible representative, be allocated to the editor at regular intervals for discussion of current problems or publication policy and contents. Unless a major emergency arises, the editor should be permitted to control his publication and make his own decisions so long as they conform to the general policies laid down for him.

#### Reporters and Correspondents

The handling of reporters and correspondents is a task which demands the utmost tact and diplomacy on the part of the editor who is dependent on these reporters for the news items which are a vital part of the contents of many company publications.

Of course a large percentage of these news items are personal in nature—submitted on occasion in a labored attempt to be facetious, and at others with a hidden barb or unkind inference which the editor must be quick to detect and kill. Correspondents are usually employees representing the editor in various departments of the company. If the editor permits his correspondents to run to extremes with petty personal items, his publication soon degenerates into the so-called “chit-chat rag” which is the target for criticism from many who wish sincerely to see the company paper assume its rightful place as a dignified and purposeful instrument of industrial and public relations.

On the other hand, it must be remembered that reporters and correspondents work, for the most part, without compensation. They have many friends and know what is happening; otherwise they would not be selected for the job. Almost everyone enjoys seeing his name or picture in the paper. If the editor kills too many items, the correspondents lose interest in their work and the editor has a serious turnover problem to add to his difficulties.

The job of handling correspondents demands a nice sense of balance and discrimination on the part of the editor. He must display judgment in selecting his reporters and skill and patience in working with them.

#### Proportions of Adequate Staff

The number of reporters or correspondents varies from 4 or 5 in a

small, closely knit plant to 100 or more in the larger corporations with many departments, branches or divisions. Servel, Inc. has 30 on its internal; Crouse-Hinds, Inc. has 74; The Erie Railroad has 75; American Brake Shoe has one in each of its 60 plants; the Stanley Works has 125 in its many divisions around the country with an associate editor responsible for his reporting staff in each division.

W. B. Talman, editor of company publications for The Texas Co., says in this connection that *Texaco Topics* (circulation 35,000) has 250 correspondents who are "seven times too wordy" and that there is as much material in an issue of *Texaco Topics* after editing out 25 to 40 percent of the copy submitted, as there is in an issue of *The Saturday Evening Post* or two issues of *Time*.

George P. Hopkins, editor of *The Atlantic Magazine*, published by The Atlantic Refining Co., Philadelphia, Pa., lists the names of 145 reporters in the various offices, refineries, pipe-line divisions and plants of the company in the United States and foreign countries.

Many plans are utilized to keep correspondents on their toes and maintain their interest. G. S. Talmadge, editor of *Brown Recorder* (The Brown Instrument Co., Philadelphia), sends out a snappy, mimeographed and illustrated "Dope Sheet" to keep employees on his staff posted as to deadlines and other pertinent information. Others use similar ticklers or issue formal instruction manuals for correspondents. Still others hold regular meetings where assignments are given, special features suggested and contents previewed. Some companies give annual dinners or other entertainments for their correspondents. Some editors visit reporters several times monthly, to gather news and keep group assignments organized.

#### CONTENTS OF THE PUBLICATION

The general outlines of company publication contents and the policy balance of editorial matter must be determined by the sponsor. After he has clearly transmitted his decisions to the editor, the latter must assume full responsibility for the details.

A limited number of sponsors have vague ideas as to what they wish their papers to accomplish. For one reason or another they have a general idea that a paper is desirable, so they are content to hire a good editor and let him make the decisions so long as these are not in conflict with company policy.

In most cases, however, the sponsor has a pretty clear idea of the type of publication he wants, and instructs his editor accordingly.

### Educational Information on a Variety of Subjects

Adult education has attracted an amazing amount of attention during the past decade, and hundreds of groups have been established in all parts of the country to promote this very important movement. It is generally conceded that the company publication can be—and some maintain that it already is—the most potent contributor to adult education in existence today. Many forward-looking sponsors are enthusiastic supporters of this idea. They demand that emphasis be placed on educational articles and pictures—not only material applying to the broader aspects of their own business, but also instructive treatments of history, science, national or general human progress, economics, world affairs and other subjects. They believe that efforts to upgrade the educational status of their employees result in a more efficient, productive and contented organization.

### Public Relations Plans and Activities

Many sponsors require that their publication be made a consistent vehicle for public relations. They demand that their operations be explained to the community and, perhaps, to the world at large; that their policies be interpreted and, if necessary, defended; and that their contributions to the community's welfare be publicized to the fullest extent.

Many companies, in communities of every size, make generous contributions to all sorts of local and national charitable and welfare causes, to the physical improvement of the community by company parks, gardens, etc., and in many other ways. There is no better medium for broadcasting these facts and activities than the company paper, which goes directly into the homes of the workers and into many other homes as well. An intelligent editor, by using his columns in developing understanding and community good will can make an important contribution to the welfare of his company and town. But he must see that his publication reaches all important groups and individuals in the community to assure the maximum benefit of his efforts.

### Some Good Examples

Innumerable examples of efficient public relations work through company papers could be presented. To cite but two:

In the small town of Stratford, Conn., over 1,700 persons recently visited the plant of the Raybestos Division, Raybestos-Manhattan Co., on its first Visitors' Day. Promoted almost entirely by the *Firing Line*,

the plant's weekly paper, the event attracted a high percentage of the employees' families and many civic and industrial leaders and friends of employees, who took advantage of the opportunity to get inside and see how the company's well-known products are made.

Starting in November, 1946, *Us*, published by the U. S. Rubber Co., inaugurated a series of lead feature articles on their many plant cities, first covering Naugatuck, Conn., Chicopee Falls, Mass., Winnsboro, S. C. and Passaic, N. J., in the order named. The results of the campaign were of great interest, from the public relations angle. Miss Martha Sloan, managing editor of the paper reports:

"The purpose of this series is to acquaint the people of one plant with the people of another, to acquaint the people of each plant with their own city, and to acquaint the people of our plant cities with our company.

"... our first story featured Naugatuck, Connecticut. We had 3,000 additional copies of the magazine printed for distribution in Naugatuck. The plant managers of our three plants in this city, as well as the industrial relations managers, sent copies of the magazine with personal letters to all the important people in the city. This list included city officials, business men, school officials and manufacturers. Naugatuck newspapers carried a story about the article. After the magazine had been out for two weeks we began receiving frantic telephone calls from our Naugatuck plant. People from all over the town were storming the gates for copies of the magazine. Our own people were taking as many as ten or fifteen copies to send to friends and relatives all over the country. Teachers and school children were calling every day, wanting copies of the story to be used in the classroom. We had really underestimated our demand. We had 5,000 reprints of the story made for outside distribution."

#### Indoctrination for Industrial Peace

The third general objective, which is considered the primary purpose of a large number of sponsors, is the development and promotion of industrial harmony, within the plant and community.

This purpose presupposes that the object of practically the entire contents of the paper—from the description of the newest product to the "flashes" about Mary Brown's latest baby or Bill Smith's operation—is to sell the business and management to the employees, sell the employees to each other and stimulate acquaintance and understanding between divisions, departments and individuals. The end results anticipated are increased production, happier and more enthusiastic workers and elimination or minimizing of misunderstanding and controversy.

The ways and means of accomplishing this purpose are legion. Apart from historical or human interest articles and descriptions of current or coming products, such an internal publication, in addition to carrying columns of "personal" notes, must describe and comment continuously on such features as sports and recreational facilities; company-owned cafeterias, canteens and stores; personal counsel and legal advice; doctors, nurses and infirmaries (or general health advice); housing, gardens and parks; financial aids; social security and insurance; special treatment of old or retired employees; vacations; sick leaves; retirements; rest periods; bonus systems; cooking, sewing, fashions and other women's features; prize offers for suggestions, and many other plant advantages.

An analysis of 8,899 items in 400 employee publications indicates the following general editorial balance:

<i>Classification</i>	<i>No. of Subjects</i>	<i>No. of Items</i>
1. General	210	2,447
2. Company	177	2,791
3. Employee Personals	53	2,038
4. Employee Sports	20	624
5. Employee Group Activities	26	573
6. Employee Domestic Hints	16	268
7. Employee Training	10	158
<hr/>		<hr/>
Totals	512	8,899

It must be remembered that internals are published *primarily* for employees, and that their affairs and those of their friends in the company are of great concern and importance to them. The shrewd editor realizes that only by the inclusion of a reasonable proportion of "copy about people" which he is certain *will* be read by people, can he be assured of readership or at least awareness of the informative, educational and inspirational material which is the real *raison d'être* of his paper.

### Do Long-Time Editorial Planning

In planning copy content for his paper, the editor suffers from a veritable "embarrassment of riches." The above-mentioned survey showed that more than 500 subjects were covered by inquiring reporters, researchers and enterprising editors.

One editor prepares a "Plan Chart" at the beginning of each year. On this chart he lists each issue of the publication and the subjects to

be developed for editorial content. In preparing each issue he checks his chart to see if the major subjects are fully covered or if they need to be revived occasionally. If a subject is difficult to develop, he seeks ways and means to get the information desired and holds publication until the source material is complete. Sometimes it takes several months to develop a certain subject, or to obtain the type of material desired.

E. M. Grout, editor of *Bird Neponset Review* (Bird & Sons, Inc.) says, concerning balance and contents:

"I believe that an internal publication is not worth publishing unless it seriously reflects the thinking of top management with regard to the condition of the business, both present and future. It is the most effective medium, and in many cases the only written medium through which the management of a company can talk to its workers. The larger the company, the more important the publication becomes. Annual reports, new products, plant expansion, company policies, suggestions—all of these matters should, in my opinion, make up the major portion of the publication, whether newspaper or magazine. In addition, for reader interest, good coverage is needed on social events, sports, hobbies and other human interest stories of individuals working for the company. Last, but not least, are the personal items and snapshots, which should occupy not more than 25 to 30 per cent of the total space, although you will find examples where such items occupy all the way from 100 per cent of the space to no space at all."

The editor of an important paper with large circulation among many plants reports a typical program of contents, as follows:

"Our paper begins each month with a special cover picture. Its contents include timely news and events concerning company activities; short editorials; photographs of production scenes; products and personnel; safety news; special features; hobbies; health articles; monthly column concerning retirement system, social security and group life insurance plan; contests; anecdotes. The back cover is usually a reprint of a current company advertisement."

Editorial balance, naturally, will differ in almost every case as no two concerns have identical policies, problems or ideas concerning contents. It is advisable in all cases, however, to have a pattern to follow—a pattern based upon major objectives but with sufficient elasticity to allow for special occasions or material.

Remember the Reading Intelligence of Your Audience

It might appear unnecessary in most cases to caution the editor of a

company publication on his level of writing, as every good writer knows that he should neither write down to his readers nor present material that is over their heads. The proper editorial level of a publication should be the average intelligence of its readers. It is perfectly safe to assume that complex articles are never cheapened if they are presented in simple, understandable terms. If any article is presented in terms they cannot understand, it would be far better to omit it or have it translated into "one-cylinder words."

### Should Union News Be Included?

For what appear to be "good and sufficient reasons," most company publications, available for study, avoid all mention of unions and labor activities as such. This may be due to uncertainty in connection with current and contemplated legislation, or a belief that a discussion of such matters does not belong in this medium. In any event, aside from occasional reporting of labor-management committee meetings and a few columns on routine labor activities the subject has been generally taboo.

As stated previously in this chapter, "the company publication is the only regular, continuously articulate medium for the presentation of management's policies and the strongest bulwark against adverse propaganda that may appear in the 800 well-edited labor papers which pull no punches, and are circulated monthly to 15,000,000 workers and their families."

This is exactly the case. The company publication is recognized as management's controlled press, expressing management's viewpoint as management wants it expressed. The labor press presents the labor editor's interpretation of union pronouncements.

There are wide areas of conflict between the two, for obvious reasons. Where management is conservative and careful in its statements, the labor press frequently attacks issues head-on, presses for its objectives and allows the chips to fall where they may.

It is the considered opinion of many authorities in this field that there is no place in a company publication for controversy or argument, that unjust or unfair statements or attacks should either be ignored by them or met in other ways.

But, in view of the fact that survey after survey has shown that employees are eager for facts about their companies, it seems obvious that their appeal should be answered factually, logically, clearly and promptly. There are legal boundaries that preclude the discussion of certain union activities, but there are also facts about a company's

profits, plans, policies, products, future, etc., that are far afield from any such limitations.

The main point for the editor to bear in mind is that his readers (union or non-union; Protestant, Catholic or Jew; black, red, yellow or white) are *people* and that these people want to know what is going on. It is suggested, therefore, that the editor avail himself of the mass of facts that are at his disposal, and *within the limits of the public relations policy laid down by his management*, tell his readers what they want to know.

#### Format

The selection of format for a company paper must be based on various considerations—economy, frequency of issue, size of pictures, quantity, method of distribution, objectives, etc.

Veteran editor H. J. Higdon, whose distinguished *Phoenix Flame* (Phoenix Metal Cap Co.) has won many prizes, contributes some forceful comments on format. He writes:

"House publications fall into three broad classifications: (1) The bulletin, or news letter; (2) the newspaper; (3) the magazine. Each fills a definite need.

"*The bulletin* is often referred to as 'the lowliest of the low,' but don't underestimate its value. It has a definite niche in the field; it has the advantage of speedy and economical reproduction; it is more personal than its more expensive brothers. Printed usually by mimeograph or multilith, its type face is established as typewriter; its page size 8½ inches by 11 inches.

"*The newspaper* is the most popular style of employee publication. There's nothing against this if it publishes news but, when published once a month, it is difficult to publish copy that is definitely news. A weakness of the newspaper house-publication is emulation of the daily paper in everything but size. Several things wrong with the average newspaper, which also apply to the newspaper-type house-publication are: too long copy, too small type, too narrow columns and too involved headlines.

"*The magazine* provides the greatest variation in size and proportion of all house-publications—*too great* a variation. I would like to see the magazine style standardized at three sizes: The *Reader's Digest* size for those composed entirely of copy; the *Life* or *Fortune* size for those composed chiefly of illustrations; and the 8½ inches by 11 inches, or trade journal size, for those which are a little of both." (The last-mentioned size seems, on survey, still to be the most popular one, both for internals and externals, in the magazine style.)

Mr. Higdon adds one piece of advice which should be taken to heart by all editors: "Have your copy set in a style and size of type which can be *read*—not necessarily to be admired."

### Methods of Reproduction

Company publications are reproduced by three general processes: typewriter style (by multigraph, multilith, mimeograph or similar processes); offset (a lithographic, etching process); or letterpress (ordinary printing with type, line cuts, half-tones and color plates). Vari-typewriter may be used in conjunction with any of the duplicating processes.

The typewriter style is used by hundreds of publications, mostly of small circulation. It has the great advantages of economy and speedy production. On the other hand, it is subject to definite limitations, mainly the difficulty of using illustrative material, other than simple line sketches or decorations. These, however, are sometimes used with great ingenuity.

An increasing number of publications use the various offset processes, which have made great progress during the past few years. This process, in some cases less expensive than letterpress, is very speedy and has great elasticity in the reproduction of photographic originals. Many editors object to it, however, because of their feeling that illustrative reproduction by this process lacks the "snap," contrast and sharp detail which the half-tone provides.

The majority of publications still use the conventional letterpress process. A recent quick survey of 40 house magazines and newspapers selected at random, but all of the better type, revealed that every one of them was printed by letterpress. At the same time several of their editors expressed approval of the offset process and commented on its increasing use. The editor of one important magazine of large circulation, established six years ago, said: "We have always used letterpress, but are now planning to switch to offset."

### Distribution Methods

Most external and combination publications are distributed mainly by mail.

A great change is taking place in the distribution of internals. The majority of plants and businesses still distribute at the place of business—through foremen, at the job, at the time clock, gatehouse, or in some other easy and convenient way.

According to W. L. Miller, editor of *Contact*, for New England

Power Service Company, nearly 40 percent of the well-known internals are now distributed by mail and this percentage is increasing.

This method, of course, is substantially more costly, especially with papers of large circulation. Many sponsors and editors, however, believe that the additional expense is amply justified because the employee finds his paper where he is more apt to read it carefully, in the relaxed atmosphere of his home.

Even more important, home distribution puts the paper in the hands of the worker's family, so that his wife, children and friends are exposed to the information and inspiration conveyed by it, and family loyalty and good will toward the company are engendered.

Surveys have shown that the internal publication is read by the families of more than one half of the workers. On rare occasions home distribution has odd repercussions for the worker. In one recent instance a publication listed a worker as one of the winners of a \$25 suggestion award. Two evenings later the worker was received by his wife at the door of his home with the inquiry: "What became of that twenty-five dollars?"

#### The International Council

Reference has been made in preceding paragraphs to the International Council of Industrial Editors. A brief description is appropriate here.

In the early stages of company-publication development, editorial activities were usually conducted on a hit-or-miss basis. The editor's work was often a part-time job, without extra compensation, for the advertising executive, the personnel or employment director or some other more or less competent person with a flair for writing.

As management gradually awoke to the real importance and potentialities of the company paper, the vital need of a trained, full-time editor became apparent. More and more companies set up real editorial organizations until, by 1940 or thereabouts, the great majority of papers of serious purpose and sizable circulation were adequately staffed by competent professional editors.

These editors early recognized the need for an interchange of views, experiences and techniques. As a result small groups were formed here and there—throughout the United States and Canada—some local, some state, some regional and some by industries, with the purpose of conducting regular meetings for the discussion of matters pertinent to their professional activities.

In 1941 these groups became conscious of the need of a strong, centralized organization which could act as a clearing house for infor-

mation and an adviser on the many problems connected with industrial editing. It was believed that such an organization could also promote the general interests of the profession, with the objective of increasing the effectiveness of the company paper, both physically and editorially.

The National Council of Industrial Editors was therefore established in 1941, by 11 associations with only 600 members. At this writing the Council embraces 26 affiliated associations with over 2,000 editors—approximately 40 percent of all the editors north of the Mexican border.

In January, 1946, the Council established headquarters in New York City, appointed an executive director and started a publication titled *deadline*, for the dissemination of news concerning the various member associations and for instructive articles by experts in related fields.

In May, 1946, the well-established editors' associations in the Dominion of Canada were admitted to membership, and the organization changed its name to the International Council of Industrial Editors.

## PRESENT AND FUTURE OF COMPANY PUBLICATIONS

With World War II receding into the background, what is the present status of the company publication, and what is its promise for the future?

In the case of the large percentage of wartime publications which have been continued, both the sponsors and editors have learned valuable lessons from the hectic experiences of the early forties. The company paper has found itself. Its writers and publishers have been relieved, at least to a degree, of the pressure of too many things to be accomplished at the same time. The hysteria has been relaxed, and there is ample evidence that, with the wholehearted cooperation of management as well as skillful industrial and public relations advisers, the company publication is steering its course with a clear sense of direction toward long-pull objectives.

### Attitude of Management

The attitude of top management toward the company publication has undergone a marked change during the past decade.

There is no doubt that a limited number of executives still betray what one editor describes as "passive acceptance of a necessary nuisance." The great majority, however, impressed by the splendid accomplishments of this medium during the war, and alert to the urgent need of better industrial and public relations, have demonstrated active interest in and enthusiasm for their publications, instead of eyeing them

with tolerant indifference. Many have approved greatly increased budgets and started entirely new papers, without discontinuing existing ones.

An important pronouncement of the attitude of many top executives in major corporations was made to editors at an annual convention of the International Council of Industrial Editors by Stanley C. Allyn, President of the National Cash Register Co. His company was the first major industrial corporation to start a publication (in 1886), and such publications have been issued by N.C.R. ever since. Mr. Allyn said:

"What do employees want to hear that will establish a real kinship with management? First comes the desire to be kept informed of management policies and objectives. The reason is obvious. The worker's future, and that of his family, is bound up in the future of the company.

". . . Employees like to be told about factory changes before they are made. There is usually more misinformation than real information about most things. Few agencies are more disruptive or dangerous in a plant than rumor. It makes for fear, apprehension, dissatisfaction and finally disaffection. Hence it is wise to sterilize rumor before it starts and thus put the rumor monger out of business. I am convinced that nothing is ever lost by taking employees into your confidence.

"Another factor is the desire of the employee to have the feeling of identity with the company. It helps to neutralize the impersonal phase of big industry and gives a lift of pride in performance, no matter how humble it may be."

In conclusion Mr. Allyn said:

"There has never been a time when the service of the company magazine was as significant as it is today. New horizons and new problems loom as the world emerges from the chaos and scourge of war. If industry is to meet these responsibilities, the closest understanding between management and labor is imperative. In the last analysis, industry is 'people working together.' You, as the voice of industry, can contribute largely to this most desired end."

## CONCLUSION

Glenn Griswold, co-editor of *Public Relations News*, contributor to the first issue of *deadline* and speaker at a convention of the International Association of Industrial Editors, has called the attention of management and editors to several vital points which have a direct bearing on this chapter.

Commenting on the part an internal publication can play in today's confused labor situation, Mr. Griswold said:

"No tool ever devised can or should be more effective in solving the basic problems of labor relations than the internal, or employee publication."

Referring to the calibre of editors in charge of current company publications, he informed his readers that "it is fortunate for business as a whole that most publications in this field have substantially increased their effectiveness in the last few years, and that a wiser and abler group of editors is in charge of them than ever before."

In his talk to the 400 editors who attended the I.C.I.E. Boston convention, Mr. Griswold encouraged all present to do a better selling job higher up within their own organizations, because they "are more nearly in the direct line of promotion and progress in the business picture than any other single group in our economy."

Thus we have from one of the men best able to evaluate the various tools of the public relations profession, an over-all rating of the effectiveness of the modern company publication and of the part its editor will play in developing the public relations patterns of tomorrow.

Looking at the company publication picture as a whole, there appear to be two main divisions of emphasis in editorial content: one on production, the other on sales.

Having proved its effectiveness in the crucible of war and remaining as it does, the stoutest bulwark against attack, the *internal* has become a "must" with most concerns familiar with its potentialities.

With the transition from a sellers' to a buyers' market, the *external* now assumes its position as spearhead for the approaching sales programs.

For these reasons *the company publication*, now a powerful tool of business and public relations, is primed and ready to make its greatest contribution to corporate security and profits.

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### Editors' Note

The attitude of management towards the company publication is one of the most important factors in determining its usefulness and longevity. Management would do well to look upon it as occupying the same place in the company that the leading newspaper in the plant city occupies in the community. Most of the rules that apply to editorial policy and content in that plant city newspaper might serve as guides to the company and its editors.

Two dangerous tendencies are developing in this area. One is to ape the gossip commentators with their barbed trivia. The other is to go arty and sophisticated, imitating *Life* magazine instead of a community newspaper.

### Follow Country Newspaper Techniques

One of the best patterns for establishing sound policies in the company publication is that adopted by the Studebaker Corporation when it rejuvenated its now famous *Spotlight*. It discovered a relatively young man who had spent ten successful years publishing a weekly newspaper in Indiana. The management told him to edit *Spotlight* as though he owned it, as though the 14,000 employees of Studebaker were his subscribers and, the 40,000 of their friends and relatives constituted the whole community.

Studebaker sends no ukase or directive to its employees through the publication. When important company announcements are to be made, the editor puts on his hat, visits the administration building and interviews responsible executives. This news is passed along much in the spirit and language that would be used by the average country editor. Nearly ten years of that practice have made the employees feel that *Spotlight* is indeed their own publication.

### Training the Editorial Staff

The idea of conducting intensive and continuous training for company publication editors is relatively new but spreading rapidly. Formal programs of training are of course limited to the larger corporations. Management of companies with only a single publication however are encouraging their editors to take extension courses, attend forums and round tables, and particularly to participate in the work of the International Council of Industrial Editors.

One of the most comprehensive editor-training programs is conducted by Standard Oil of New Jersey. The company operates the equivalent of an Associated Press and a feature service for its many publications. Letters and booklets of guidance are constantly being circulated. In addition, local and regional conferences are held regularly and once a year all company editors spend a full week in convention. This is a program of professional training and indoctrination.

American Telephone & Telegraph Company operates a similar system for the editors of its 24 periodicals with a combined circulation of nearly half a million. Here the home office watches closely the deadline of each publication. Material usually goes by mail but as press day ap-

proaches, important news and features are forwarded by teletype. The spirit of training runs through all this service. Editors are not ordered to use material submitted, but reasons for its importance and reader interest accompany every piece of copy that is out of the ordinary.

Standard Oil of Indiana uses much the same pattern with one interesting deviation. One of the group meetings of editors is devoted to a four-day training course in public relations. At Flintkore Company the chief editor acts as coordinator and counsellor rather than boss to the company's seven plant publications. He conducts continuous courses in training and clears all questions of policy between plant management and the home office. One cardinal rule is that every exposition and explanation of company policy must be stated in terms of the individual interest of the employee.

#### Good Covers Invite Readership

A frequent complaint of company publication editors is that management can't understand the need of art work to produce attractive covers. Management wants its publications read by its employees and their friends and neighbors. Editors must convince these executives that the same rules which apply to making a national magazine salable on the news-stand are good doctrine for the company publication. This doesn't mean that all covers must be in four colors or that they should all reproduce expensive paintings. But even if the illustration is a cartoon, it should be something that will pique curiosity and attract readership.

Another good rule as to covers is to keep a substantial percentage of them tied into community interest. One effective and inexpensive way of accomplishing this is to accept the art work of pre-printed covers offered by such organizations as Boy Scouts, Community Chests, Red Cross and similar national organizations whose drives tie directly into community life.

Among the strongest appeals in covers are those informal snapshots of scenes which promote industrial harmony. A wide variety of opportunities here are available to any editor. A conspicuous example is a cover of the Allegheny Ludlum Steel Corporation publication showing a barbershop quartet composed of company officials and local union leaders at the time a basic wage contract was signed.

#### Reporting Union News

A new trend is developing out of a heretofore fixed management phobia. It has always been assumed that union news was dynamite for the company publication and shouldn't be touched. A few companies

however are moving in the opposite direction with excellent results. Typical is the experience of Goodyear Tire and Rubber Company. Akron is a hotbed of labor controversy and the birthplace of the sit-down strike. Yet Goodyear devotes the first column of page one in its company publication to precise and objective reporting of all the news of union activity in the plant. The basic philosophy of this rather daring innovation is suggested by the lead on the initial column:

"This column was conceived and instituted in the 'Clan' as a means of supplying information on labor relations of general current interest to all employees. It is not contemplated that it shall ever serve as a medium through which company views and opinions shall be expounded and promoted, but rather that it shall seek to present facts as they are developed and recorded. Those who prepare the column will not intentionally deviate from this policy. As time goes by, we believe its good faith will be consistently demonstrated and the service to employees will be found worthwhile."

Aldens, Inc., Chicago mail order and retail company, has initiated more than one daring practice in its public relations program. Its company publication every month carries a full page of union news. In addition each issue carries a column of which some union official is guest conductor.

#### Some New Trends

Another trend is the use of paid space in the community newspaper instead of issuing a company publication. Endicott-Johnson Corporation spends about \$100,000 a year buying paid space in which to carry regularly to its 17,000 workers and community, the sort of messages usually found in a company publication. Another company following this pattern is Corona Clipper Co., toolmakers of Corona, California.

Some corporations are assigning to the company publication the important job of merchandizing and explaining their products as well as explaining their institutional advertising. There is a growing tendency to reproduce the most important public relations ad of the month in each issue. A few publications reproduce two or three such ads. This is particularly true among companies which make wide distribution of their company publications to their community leaders. At Reynolds Metals Company, the center spread of the publication is usually used to reproduce and explain its public relations advertising.

#### Telling the Profit Story

One of the most serious obstacles to industrial peace is the fantastic

impression the average worker has of company profits. No publication responsibility is more challenging than that of constantly and convincingly telling the profit story to the employees and to the community. Thinking in this area sometimes develops in amazing ways. One of the biggest and richest corporations in America, far more beset with public relations problems than most, took a center spread in its publication to explain the profit story to its employees. One page was an almost unintelligible mass of counting-office jargon in fine print. The other was a confused chart which defied interpretation. Unbelievable as it may sound, executives of the company insist that they have explained the story, and that disposes of the issue. If every company did a competent job of explaining away these misconceptions, it would not be too long before the issue died.

#### Extending the Readership of Your Publication

Many companies have discovered the validity of distributing their internal publications to opinion leaders in the plant community. These usually include those who might contribute to the development of public attitude in such fields as education, religion, libraries, government, civics, the press and all community organizations. A less general but growing tendency is to distribute publications where miscellaneous groups of citizens congregate, such as doctors' and dentists' offices, beauty parlors, barbershops, poolrooms and even taverns. At first thought this may seem frivolous but these are the centers out of which most community gossip generates. If their proprietors and customers are exposed to the facts, the disgruntled or malicious employee or neighbor who broadcasts an untruth about the company is likely to have the facts thrown back at him by someone who knows the score. A few corporations go even further and send company publications to stockholders, suppliers, dealers and distributors, and to the heads of all organized business firms in the community.

The dignity and intimacy with which a plant publication is introduced to opinion leaders is important. The rule at Cities Service Company is that no individual is ever put on the list to receive the company publication without a personal letter of introduction from an executive. Some companies send a personal letter from the editor with the first copy.

#### A Tool for Teaching Public Relations

A function of growing importance is the use of the company publication to teach public relations to the rank and file of employees. This

indoctrination is most effective when its lessons are stated in terms of the self-interest of the employee. Several railroads are doing a particularly good job in this area. The Milwaukee Road uses its symbolic little figure, "Mr. P. R.," to tell the story of public relations in every issue of its publication. The Baltimore & Ohio R. R., New York, New Haven and Hartford, Illinois Central, New York Central, Santa Fe, and Southern railways are among the roads doing this job effectively. Monsanto Chemical is one of the leaders among industrial corporations.

This indoctrination job is one that should run through practically every issue of the publication over a period of years. Whenever the editor and his management begin to think they've said enough about public relations policies and procedures, they should pull out the files and look at the latest public opinion polls which actually measure public misunderstanding of the corporate story.

—G. G. and D. G.

## HOW TO PREPARE AND PLACE A FEATURE ARTICLE

BY MORRIS M. LEE  
*Partner, Selvage & Lee*

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HE IMPORTANCE OF THE feature story, as one of many instruments of public relations, can scarcely be overstated. If you are doubtful, then thumb through almost any newspaper or magazine, noting the value attached to feature copy by the editor. It is a good indication that such material also is highly esteemed by the readers.

Observe secondly that a very generous portion of all feature articles bear the earmarks of inspired material, which is not to suggest that they are the masterworks of press agents, but instead that they could be products of well-conceived public relations programs. You may find that a train conductor retiring after two million miles of travel, a system of academic scholarships launched by an industrial concern, or a building proofed against earthquakes by roller bearings gets as much attention as the tear-jerker on Johnny Smith's lost dog. The thought may

even assail you that the dog story could be a part of "Be Kind to Animals Week."

And finally, if doubts persist, measure in your own mind the cumulative impact of feature articles you've absorbed through the years. You may, for illustration, look upon your local power and light company as a symbol of all that is good and honest and worthwhile in corporate behavior. Why? Granted, it is more than likely that many other factors have contributed toward your impression of the company. However, the chances are that some part of your regard for the organization is linked with feature articles, which, in your own thought processes, have helped transform the company from a cold legal entity to an entirely human and wholly correct community asset from which great good derives.

#### Feature Articles Create Lasting Public Attitude

The shape and form of the feature articles in question are of little concern here. You may have chuckled over a piece on how the meter reader deals with belligerent pets as he makes his rounds, or, with the hope of bettering office efficiency, given careful study to a spread describing use of a card-punch system in billing customers. An analysis of factors permitting lower utility rates in the face of increased operating costs may have won your attention, or maybe it was an article on precautions adopted to safeguard power line workers against the lethal effects of high voltage. As you will surmise, the list is purely hypothetical and could be extended a hundredfold. The point is that each left its imprint, and, in this instance, served to enlarge your respect and admiration for the light and power company.

And why, you may ask, is this important? Is there any good reason for a light and power company to seek the good will of its customers, or, if you prefer, the public? The answer is obvious: It is just as important for a corporation to have friends as for an individual, and the feature story is one device that can be of assistance. The legitimacy of the objective, that of making friends, is something with which few can quarrel. Recent developments prove that making friends with the public ranks with every other major management function.

Before undertaking to examine the feature story's position in public relations, it should be pointed out that the suggestions and opinions offered in this review are not necessarily those of the writer alone, but rather represent a broad compendium of thought to which editors, reporters, staff members of this and other public relations firms and many others have contributed.

### Know the Subject Thoroughly

Just as the vendors of brushes and silk hosiery must know their products and know them well, you must be thoroughly conversant with every phase of what you're talking about. Remember, they are selling tangibles, and you are selling an intangible. Without a well-rounded knowledge of your subject matter, the chances are excellent that somewhere along the line you are going to be tripped up.

This may come when you overlook a valuable slant that would have made the article salable because you spent too little time on digging away at background information. It may mean forfeiture of the editor's confidence. It may mean obvious misstatements of fact. The important point worth emphasizing is that the leg work behind any feature story should be complete, accurate and broadscale. Many a public relations man has spent weeks in bird-dogging data for an important feature article.

Perhaps you will not write a single line of copy, but, as justified by existing circumstances, you may serve as the research agent of another writer. In this instance, your obligation to do a thorough job is lessened not one iota.

### PREPARING FEATURE COPY

In preparing the feature article, invest it with what for want of a better name is termed "the slant." For example, some time ago a plastics manufacturing company wanted to disclose that its products were now being widely used on piano keys. No sale. The picture changed, however, when it introduced the idea that plastics were creating widespread technological unemployment among African elephants. With added embellishments on the relative value of elephant ivory and plastic replacement, the story achieved wide acceptance.

Similarly, the visit of a Bataan nurse to an aircraft factory was one which under ordinary circumstances might attract little interest. Here, the public relations man found an angle which carried the story far and wide. The slant was that the nurse, while flying the Pacific, developed a morbid fear that the rivets would give way. At the factory, she learned why they held.

It should be made clear from the outset that you will find here no trade secrets, no get-rich-quick formulae, no short cuts by which one can break into the big circulation media overnight. As the experienced practitioner well knows, and as the beginner quickly finds out, there is

no magic lamp one can prescribe as a guarantee of success in this or any other phase of public relations.

This is by way of preface to the suggestion that the job of preparing and placing feature articles involves much more than being able to write well, and more than just knowing an editor. There are thousands of expert feature writers, many of whom have a first-name acquaintance with a long list of editors. That the former is an extremely valuable asset none can doubt; certainly, one can't get far in this profession if editors are unwilling to repose confidence in his honesty, ability and objectivity. By themselves, however, these are not enough. The reasons why may become apparent in the course of this discussion, which in the main will concern itself with approaches and techniques in common and more or less successful usage.

Availability of a strong slant may well represent the difference between success and failure. Offered the idea that a worthwhile article might be based on an institute to educate industrial employees on basic economics, one top-flight magazine showed immediate interest, but the editors had this question: "How about results?" The answer was to survey employee opinion before and after the 13-week study course. Findings developed in the survey clinched the sale, providing the slant which the editors had sought.

#### Determine the Slant First

The slant need not be complicated. Consider now the case of the manufacturer of chocolate-coated ice cream, who, on the opening day of school, treated every boy and girl in a large city. An absurdly simple wrinkle, and not his generosity, won space on press association wires: The one-to-a-customer rule was enforced by turning back repeaters with chocolate-smeared lips.

His story hit hundreds of newspapers where it counts most—the front page. It couldn't have been more than 75 words long. Yet it was probably read by more people, consequently creating more impressions, than would a 1,000-word feature in which the same manufacturer held forth on ways and means of utilizing store-bought ice cream in home desserts. Which brings up an important point: Length is no measure by which to judge the worth of the feature story.

Newsmen are often reminded that the Bible requires only ten words to describe the creation, which, let us all agree, was an important event. Such advice is not out of place when applied to the public relations writer of feature articles. Editors cannot be expected to paw through

reams of copy to ferret out what is and is not important. Far better it is to confine your exertions to a bare minimum required to tell the story—it may be 50 words, or again it may be 5,000. You must be the judge.

### Using Personalities in Copy

Personalities are increasingly popular as a peg on which to hang a story. This doesn't mean, however, that you will want to engulf editorial desks with stories about your 32-year-old vice president, who, it develops, has no claims to distinction other than his being 32 years old and a vice president. Likewise, in light of the fact that half the world is made up of women, don't expect the presses to stop when your company adds a beautiful face to its executive roster.

But if your 32-year-old vice president earned the job by contriving a technique which doubled plant efficiency, and if we can truthfully say that your woman executive is also the mother of four children and a former actress of note, then all is well. The illustrations may be far-fetched, but the basic idea should be apparent: If the personality doesn't carry with it some aspect of novelty or interest, then you simply haven't feature material at hand, and you'd better look elsewhere.

Big names are something else again. A great many editors will use features encompassing big names, even though the story may be lacking in certain other aspects. For example, if Janitor John Doe makes a specialty of feeding homeless pigeons at Fifth and Main each noon, the less said about it the better. If the same hobby is pursued by Richard Roe, the No. 1 citizen and best-loved individual of the town, then you have a good feature.

If the feature article in question is to appear under the by-line of one who has attained a certain measure of distinction, or perhaps can properly qualify as a big name, then by all means offer a meaty thumbnail biography and a good portrait of the author. Use of this material in the "About the Authors" column may in itself amount to a feature story. At any rate, it may prove helpful in establishing the writer as an authority on his subject matter. With many editors, this is an important point.

Do not overlook the value of the woman's page. A great many newspapers welcome feature material slanted particularly toward women—perhaps on food, on women in the news, on kitchen gadgets, or on how to clean white furs. Here, again, chances of acceptance are increased when the subject is tied to a personality or to service rendered to the reader.

### Art as Important as Copy

Another way to enhance the usability of feature articles is to accompany them with good art; indeed, many an otherwise mediocre yarn has been sold only because the seller had the gumption to obtain and submit photographs, charts or diagrams which lifted the subject matter into the category of usable material. On the contrary, many an opportunity has been lost because of poorly-conceived or poorly-executed artwork.

Art should, of course, be keyed to the requirements of the publication at which you aim. Not all editors roll out the red carpet for bearers of cheese cake. One may seek dramatically lighted photographs, another action shots. One wants art that complements the story, another wants art that supplements the story. Some publications thirst after effective charts and diagrams, while others will carry out your diagrammatic ideas—carry them out in the wastebasket. You must know your market and its requirements.

It almost goes without saying that any art you submit should be of high professional character. The pictures must be sharp, the lighting must be good and the subject matter must be interesting. Beyond that, one encounters a marked difference in photographs produced by the plate exposurer and the skilled photographer. The plate exposurer may charge you \$3.00 per negative, the skilled photographer \$200, and the latter may offer by far the best bargain. How much you can afford to spend for art, and where you prefer to spend it, is a matter for you to decide.

### RELATIONSHIPS WITH EDITORS

The beginner might do well to rid himself of the notion that stories are planted on a basis of personal friendship with the editor. That is bunkum. The editor is a man with a need for usable story material. In the preparation and placement of feature articles, you must fill this need. Even if you should unwisely find it possible to cram a wooden story down his throat on the basis of personal friendship, the chances are that he will not only quickly cease being your friend, but in due time will cease being an editor as well.

Not for one moment should one discount the value of personal friendships with the men and women who ride herd on the instrumentalities through which public opinion is molded. Confidence can be, and usually is, a worthwhile by-product of personal friendship. One's

work isn't likely to see the light of public print unless the source enjoys the confidence of the editor. But mark this: A relationship of mutual respect and assistance is one thing, and an angle-shooting arrangement by which one seeks personal gain as a part of an alleged personal friendship is quite another. One is good public relations, the other very bad press-agentry.

### Win the Confidence of Editors

The average editor is a busy man. Don't take up his time with ideas that are off base. Next time you may not get in to see him. Your approach should be with the attitude that you are seeking to help the editor, which he appreciates, but not that you are trying to do his work for him, which he resents. Time your visit so that it will cause minimum interference with his pressing duties, the most opportune occasion being just after his publication—be it daily or weekly or monthly—has gone to press.

Too, it is important to seek out the appropriate editor. Wherever possible try to learn the type of stories department editors handle. A department editor may justifiably resent your going over his head to the managing editor or the editorial director, just as you would resent an outsider's effort to jump lines of authority on you. Two strikes have been called on many an idea because the public relations man failed to go to bat with the proper man.

One suspects that there is a tendency to overvalue glad-hand tactics in selling. In public relations as in every other profession, a pleasing personality is an important asset. However, it is well to remember that drinks at a bar, lunches, glibness and glad-handing are poor substitutes for quality of product.

All of which is to say that feature articles must stand or fall on the basis of merit; in other words, on their ability to fill an existing need. Success is going to depend on news perception, knowledge of subject matter, ability to win and hold the confidence of editors, and acquaintance with the various markets at which to aim. Your task, essentially, is to sell an idea—an intangible. The important components are, firstly, the value of what you have to sell, and, secondly, where you go to sell it.

### Aim at the Right Market

Of equal importance is your knowledge of the market at which your guns are leveled. You would not submit a story praising private enterprise to the *Daily Worker*, nor would you offer highly technical fea-

tures to the *Atlantic Monthly*. Technological information about a new mechanical gadget might delight the editors of *Science Illustrated* but get a chilly reception at the *Ladies' Home Journal*. By the same token, a personality sketch on a distinguished home economist might win approval at the *Woman's Home Companion* and be laughed out of *Liberty*'s editorial rooms.

Oftentimes a newspaper or magazine has strong bias on certain subjects, so the offering of articles slanted in the opposite direction is a waste of time. Hearst papers are anti-vivisectionist, certain papers are anti-New Deal. Do not expect Florida newspapers to sing the praises of California sunshine, or California publications to extol the merits of Florida citrus. In coal producing areas, feature articles proclaiming the merits of fuel oil would fail. Likewise, certain editors may prefer features through which a strong religious theme has been threaded; others require a constant change of pace; others shy away from anything that suggests controversy; and still others prescribe that personalities entering feature articles must range in age from 13 to 19.

In other words, something more than a generalized appraisal of publication needs is required in most instances. It is wise to study the specialized requirements of the various outlets. Each day make it standard practice to review several publications, asking, "What can I offer to meet the need here?"

Media change from time to time, and so do their editors and their editorial requirements. Editorial policies and story trends have been known to change over night. It will be noted that many magazines require a set format for contents; for example, appeal to business, labor, industry, railroads or agriculture. It follows that close scrutiny of these requirements may be instrumental in avoiding wasted effort.

Importance of this detail is underlined by the fact that it is widely employed by successful editors and free-lancers. Aboard the lounge car of a train, one such individual thumbed through a half dozen magazines while other passengers were reading a single article. His explanation: "I was finding out what the other editors are using and how they went at the story." The example is worthy of emulation.

#### Breaking into the Mass Media

It has been said that a feature article has better than average chance for acceptance if the subject matter is important to a lot of people, or if it is written so that it captures the interest of a lot of people, though

the subject is of no personal importance. Sure acceptance awaits the feature article that is both important and interestingly presented.

This rule applies with special force to the preparation of feature material for mass media—the press associations, the news syndicates, the newspapers and magazines of general circulation.

The press association or news syndicate which processes your copy gets it on hundreds of editorial desks, and in a favorable position for use. Numerous New York and Washington columnists are read in scores of newspapers. Where a trade magazine can carry your message to hundreds or thousands, the big magazines of general circulation reach millions.

Hence, as far as the mechanics of distribution is concerned, mass media approach the ideal. But here the competition is keener, and, to survive, your feature article must meet stiff competition. Be that as it may, mass media editors have a need. If your work with them is to be mutually advantageous, it is up to you to fill that need.

Here, as elsewhere, the editors know what they want, and you must be guided by their requirements. However, with most of them, the initial screening will be based on whether the story is important to a lot of people, or written to command the interest of a lot of people, or both.

#### There Are Other Outlets

Always remember that your proposed feature article, after missing fire with one outlet, may be good for another. Suppose that after careful consideration you reach the conclusion that your idea is a natural for *Collier's*, and it develops later the *Collier's* editors fail to share your enthusiasm. You have an investment, and it might be wise to try elsewhere before scrapping it. You may find an interest at, let us say, *Liberty*, *Life*, *Look*, *Argosy*, *This Week*, or *The American Weekly*—to mention just a few.

Or it may be that you will wish to recast your thinking, offering the idea to the dominant publication in your particular field, or perhaps to a single newspaper. It could be that publication in a trade magazine, reaching those you are most eager to reach, would yield greater public relations value than a big-time magazine.

Very often one can revise the lead of a feature article, and without stepping on anyone's toes, open the way for its use in many publications. Let us say your client is ready to announce a small and highly efficient air-conditioning unit—one that could be used in a barber shop, beauty parlor, drug store, apartment, industrial laboratory or cocktail

lounge. The same story can go to publications covering each field mentioned, with a lead slanted toward each.

### HOW TO PLACE FEATURE MATERIAL

Not a great deal of merit can be accorded to the belief that the public relations specialist should write each feature article as a finished product. Oftentimes, you will find, circumstances require such treatment. However, it is but one of several approaches. For want of a more suitable designation, we shall call it the complete writing job.

You are likely to find that as great a measure of success can be achieved by talking to an editor whom you know, handing him a memo covering the subject, or, better still, by submitting a story outline. Of these, the story outline is probably the most fruitful and the best time-conserving.

A decision the public relations man has to make frequently is whether he should undertake writing the piece, or whether it should be suggested that the editor put a staff writer on it. The temptation to do the writing yourself may be great but wholly unwise. It is obvious that staff-written articles have a better chance of being printed, for, even if you do fancy yourself to be a top-rank feature writer, the editor may hold the copy of others in higher esteem.

Don't overlook the free-lance writer or the literary agent; they also have a need for usable material which you may be able to fill. Moreover, their news perception and knowledge of editorial requirements may possibly be better than your own. You can cast yourself in the role of a good writer's research arm with results that can be beneficial to yourself, your client, the writer and his publisher.

### Literary Agents Can Help

The agent can help you get in touch with both free-lancers and editors with a need. Impelled by readership statistics showing the type of story most in demand, editors will often turn first to the agent, asking, for example, "What have you got on synthetics?" If you represent a chemical company, and if your name is in the agent's files, look for a call or letter from him. You will have established another channel through which needs can be filled.

You may find personal contact with the agent more advisable. His principal job is selling articles already written, but if he favors a story idea you work up for your client, he may wish to pass it along to one of the writers with whom he works. Most agents handle all types of writ-

ing, for books as well as magazines, and lists of approved literary agents can be obtained from writers' periodicals, such as the *Literary Market Place*, published by R. R. Bowker Co., New York.

Alternatively, when you are handling the public relations detail of a broad-scale promotion such as a city-wide funds drive or a centennial observation, it is well to write a letter to interested editors and to peg yourself as the fountainhead from which wells up related feature material. It is entirely possible that the necessary slant will be developed in editorial conferences; that you will be called on in due time for background material. The end result will be as favorable as though you had frittered away many hours at the task of composition.

### CONCLUSION

The intelligently conceived and properly placed feature story can be a tool of great worth in a public relations program. The extent of its value, more often than not, will depend on the skill and ability of the practitioner. Each story will pose a series of unduplicated problems, the answers to which cannot be given in any textbook. They are matters for individual judgment.

On the basic and fundamental framework of preparation and placement, however, there may be offered in summary the following generalizations as being of paramount importance:

1. In preparation, find the slant or news peg that will make the story usable and salable.
  2. In placement, offer an article that will fill a need, and know where to offer it.
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### Editors' Note

Many important news stories having to do with corporate affairs lend themselves to further treatment by the development of feature articles predicated on them. The news story is fast and concerned only with facts of public interest. The feature story is told in dramatic language in terms of human interest. It is usually well to offer the feature story to editors at a time when the allied news story adds interest.

A spectacular illustration of this use of feature material is the exploitation that has been done to condition the public mind to the use of DDT and allied products in the control of insects. The simple news

announcement of the availability of such material was sensational enough to reach every medium of expression as soon as secrecy was lifted from the product during wartime. But in postwar days when markets were to be developed, thousands of feature stories were published beginning with the making of South Sea islands habitable and including the extinction of a rather terrifying invasion of grasshoppers in the northwest. These and every other news announcement of the expanded use of DDT for human comfort and safety were followed by a wide variety of feature stories pegged on each new development.

#### Use a News Peg When Possible

By the same logic a feature story promoting a coal company or a brand of coal has a much better chance of acceptance if it is offered at a time when John L. Lewis is threatening to stifle industry by shutting off the supply of coal.

If the news upon which your feature story is predicated is broad enough in public interest, it is well to discover the various syndicates which provide feature material to media of all sorts. A complete list of them is printed in the *Editor & Publisher's Annual Directory of Syndicated Features*.

—G. G. and D. G.

## HOW TO USE AUDIO- VISUALS IN PUBLIC RELATIONS

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XXIV

**T**HIS CHAPTER IS PROJECTED largely against a background of experience and observation within the Bell Telephone System, but it will have wide applicability to the use of audio-visuals by almost any type of organization.

Let us begin then with the question: Why use the public relations tools variously referred to as films, displays, exhibits, and the like, and hereinafter called audio-visuals?

The Bell System is an organization of half a million workers charged with giving an essential service to all the people of America. Ideas flow constantly between the individuals and the groups that make up this team. Ideas flow also between these groups and the much larger groups they are serving. The free flow of these countless ideas is as essential to good telephone service as well-understood signals are to good football. Putting it another way, the communication of ideas plays a very important role in maintaining good public relations.

The ideas that must be made to circulate within and around the orbit of the Bell System, if it is to do its job well, relate to:

1. Training in numerous techniques and processes
2. Teaching of proper attitudes
3. Dissemination of information
4. Cultivation of understanding.

Audio-visuals are used because they lend clarity and emphasis to the ideas circulating within 1, 2, 3 and 4. In all their numerous forms, they have been used at some time or other—and used effectively—for the circulation of these ideas.

The public relations practitioner will know something of each of them—at least enough to judge when each should be used and when it should be discarded in favor of others. If the person considering their use is not himself a technician, he will do well to consult one. But there are two steps that must be taken first, and for these he needs no technician.

#### STEP I—DEFINE THE MESSAGE YOU WANT TO COMMUNICATE

No idea is going to be clearly conveyed unless it is clear in the mind that conceives it. Let not this be passed over as an idle statement of the obvious. At least half the failures in the propagation of ideas are due to lack of definition. The idea being muddy at its source continues muddy along its course.

Write the idea down! Revise it! Rewrite it! Subject it to critical analysis. Is it logical? Is it plausible? Is it sensible? Would you believe it if it were the other fellow's idea and you were on the receiving end?

From such a mental exercise, a clear outline of the idea will emerge. Here are two examples of such outlines which are currently on the desk of the present writer.

##### Outline No. 1—Need for a Demonstration of "Visible Speech"

Telephone scientific research has discovered a method by which sounds can be projected on a screen in readable symbols.

This device has potential uses in telephony, and by its use people who are totally deaf may some day be able to use the telephone. Most immediate perhaps is the promise it holds of a new method of teaching deaf people to speak.

The news of this device has excited the interest of schools and colleges. Teachers of speech and language want to know what the machine

looks like, how it operates, and what it can mean to them in their daily work.

This has led to numerous requests for demonstrations. Neither the manpower nor the equipment is available to bring this story to all the places where these interested people can come together to hear it.

The Bell System might refuse these requests on the plea that they have nothing to do with telephony. But this would leave many teachers dissatisfied—perhaps critical of us for failing to meet what they might consider our social responsibility. Furthermore the promotion of the device may some day prove a commercial asset of some value.

The need is to show to many people at many scattered points—  
1. How visible speech may help in teaching the deaf to speak. This means showing that the visible speech patterns on the cathode ray screen portray the effects of the articulatory movements that the teacher tries to teach the pupil to make. Perhaps the face and lips of a speaker can be shown simultaneously with the patterns as the words are spoken. The speech patterns of the pupil could be compared with those of the teacher, or with pictures of speech patterns arranged beforehand. Also we must show how the patterns portray defects in articulatory movements, substitutions of one sound for another, breathiness, nasality, etc.

(In similar detail this outline proceeds to describe the half dozen other objectives of the project, ending with the status of the present development, when and where equipment can be obtained, and what it is likely to cost.)

#### Outline No. 2—Need for a Demonstration of the Financial Situation of Hometown Telephone Company

The Hometown telephone exchange serves a small city and its surrounding territory. Through prosperity, depression and war it has given telephone service to an ever-increasing telephone population. Its rates have not changed in twenty years, except downward.

Now increased wages, taxes and other costs have left net earnings so low that it may not be possible in the future to get the capital needed for expansion. This is serious, for Hometown is growing, has doubled its telephone development in ten years, and needs a new telephone building and millions of dollars' worth of new dial equipment. Meantime we have overloaded our lines in an effort to serve as many people as possible in the face of equipment shortages, causing a slowing up of the service all around.

All signs point to a rate increase within the next year or so. The telephone ratepayers must be told the reasons why in terms that they will accept. We must use all the channels of public information open to us, including audio-visuals.

We must show them what it means to handle their calls—that telephone equipment means a great deal more than the instrument on the living-room table. We want them to see our cables that run under the streets, the complex switching equipment in our central office, the busy operators at long rows of switchboards of various types, the men who keep the lines in good working order. We want them to see what kind of people we are and how we go about our work. (This is expanded in considerable detail.)

Then we want to show them why a continuance of these things and the service they make possible depends on the financial integrity of telephone operations here in Hometown.

If we succeed in this, the telephone ratepayers will be sympathetic with the idea of paying more for their service. If we fail, their antagonism may lead to a refusal of our application for increased rates when that becomes necessary.

You will observe that there is nothing in these outlines that calls for technical knowledge of the production and use of audio-visuals. They are nothing more than interpretations of what the business wants to say and the reasons why it should be said. For here we find ourselves, as public relations people, in our common role of the link between the source of the idea and its ultimate expression.

With such an outline before you, you may proceed to determine the audience.

#### STEP II—DETERMINE THE AUDIENCE

With whom do you want to share the idea? A few specialized people? Many people? In one community or in many? People who may be friendly to the idea? Antagonistic to it? Indifferent to it?

It is well for you to have before you a list of all your publics. Put them down in whatever terminology you like. But take time to do it carefully. Don't miss any, for their completeness is important to the later determination of the tool or tools you must select for use.

When the list is complete, grade these publics in the order of importance. Some will be primary audiences for your idea. Some will be secondary. Some you may strike off as not important at all. Soon you will have a pretty clear concept of the nature and size of your audience.

What is the nature of these audiences? We can best answer that question by taking a closer look at some of the broader categories.

The American public is gregarious. Our people gather together in service clubs, professional societies, lodges, women's clubs, civic associations, church organizations, granges and many other organized

groups, nearly all of which welcome a public relations message when it is presented in the interesting and arresting fashion that audio-visuals make possible.

### Employees

In any discussion of audiences, put your own employees in the forefront. Almost any enterprise will do a better job when everybody—both the public and the employees—knows what is going on. Information designed for presentation to the public should be reviewed with employees who are likely to discuss the subject with their friends or neighbors.

Get the employees' views and secure their participation in the program of interpreting the information to the public. An important step in such an activity is to show to employees the same audio-visuals as are intended for public showing. But to get this done, the public relations man must get his operating associates to take workers away from their jobs. This is not easy to do, and the temptation will be to have employees see informational movies and exhibits only at open houses, lunch hour showings or elsewhere *on their own time*.

Worthwhile as these efforts are, they constitute an imperfect method. If we confined our training of employees to what could be done on their own time, we would have an inadequately trained force. So it is a fair question whether we can hope to have well-informed employees so long as the films that are part of the process of informing them are shown only on the employees' own time. The question "What will it cost to do this?" must of course be answered, but the answer is not complete until consideration is also given to the question "What will it cost *not* to do this?"

### Service Clubs

Since Rotary, Kiwanis, Lions and other service clubs are made up of business people, it is natural that their programs should include discussions of business subjects. Companies are being invited constantly to arrange programs for these meetings. They are highly important audiences, too, for in many communities these clubs are the most direct channel to the minds of business leadership. Lecture-demonstrations are the most effective medium. Films are also used extensively, but acoustics and facilities for darkening rooms are often inadequate. Many of these clubs, particularly in the larger cities, have tended to be critical in recent years because they have seen too many industrial films of a purely promotional nature and because too often the shows have been too long for

lunch-hour purposes. But if care is exercised to avoid these faults, there is still a field for the motion picture here.

#### Professional Societies

These are similar in nature to the service clubs, but more specialized. They are less likely to be interested in a general subject than in one which is close to their common interest. For example, a wartime film showing how telephone service was provided for the wounded soldier was popular with medical societies. A film version of "The Telephone Hour," with fine orchestral and instrumental music, was widely used before music societies. The justification for this activity was the opportunity it afforded to show how radio is served by the telephone network and how television will similarly be served.

#### Women's Clubs

Every community of size has its organized clubs for women and its parent-teacher associations, where women predominate. As women are dominant in the field of retail buying, so are they more dominant than men sometimes like to admit in the field of opinion-forming. In the telephone industry we find that women are very much interested in what is going on in this business where more than 60 percent of the workers are women. More critical than men of unsupported statements, they like exhibits, demonstrations and films.

#### Trade Meetings

Trade associations where businessmen having common interests gather are interested in pictures and exhibits that relate to these common interests. Banking groups showed great interest in a film designed to train tellers in receiving payments of telephone bills, emphasizing not only the manual operations involved but the attitude of the girl behind the counter. Almost any training film or device that parallels the training problems which trade meetings so often discuss can be used to help tell your story. The first law of good public relations is to be helpful to the other fellow. Space is usually set aside at these trade meetings for exhibits and demonstrations, and the audience is a quality audience, whatever it may add up to quantitatively.

#### Schools

From time to time there has been criticism of the activities of outside organizations in the schools. Neither teachers nor parents like the classroom to be used as a means of selling a product or establishing ideas

that are more in the interest of the promoting organization than in the general interest of the public and that of the school curriculum. Any non-educational enterprise will do well to respect the sanctity of the classroom.

There has been a constant expressed desire on the part of school authorities for audio-visuals that will enable them to give their students an inside view of how industry functions, that depict scientific progress, and other like subjects. The judgment of school people seems to be that such materials have a proper place in the education of young America. Until some other source appears, teachers may be expected to look to you to supply them.

To refuse to meet this expressed desire, especially when the teachers know the material is available, is to appear in their eyes as unreasonable and uncooperative, which certainly does not comport with good public relations. Some industries make audio-visual materials specifically for the schools and offer them as teaching aids.

The decision as to what films are shown in the schools and where they are shown, must of course rest with the school authorities. This being so, we can make audio-visuals available on request or provide them for the school libraries on a long-term loan basis.

You will expand this list of course, but these general categories may serve as a guide. Let us see what sort of an audience list we will prepare for our "visible speech" project. We quickly find that schools constitute our primary audience. We can break this audience itself down into a number of categories. First we have the schools for the deaf. How many are there and where are they? Second we have schools that deal with the correction of speech defects. Then there is that wide field of classes in which students of normal speech and hearing are taught to make better use of their unimpaired organs of speech and hearing. Organizations, such as The Volta Bureau, that specialize in work with the deaf, provide a highly specialized audience for this project. Beyond this, almost any audience may well be interested in this subject because it is new, and because human helpfulness has a universal appeal. Perhaps when our project is completed we will find that, in meeting the needs of our primary audience, we have made the project too technical for general use, but let us reserve that decision until we are further along.

Our second outline—the Hometown financial problem—presents quite a different picture. Our primary audience must be the opinion-forming people of the community—the civic and business leaders, the press, the people whose voices are heard and whose views are respected. Second we have the employees of the Hometown Company and its stock-

holders. Then in varying degrees we must consider every group in the community, for every group is affected by the step that may be taken. At or near the bottom of the list we find schools, which were the first on the list for the visible speech project. These groups and their leaders are all within easy reaching-distance of the telephone building. Beyond a thirty-mile radius no one cares much about Hometown and its telephone service. They have troubles of their own.

The first two steps in our audio-visual program have covered the message that we want to convey and the people to whom we want to convey it. We can now take the next step.

### STEP III—SELECT THE MEDIUM BEST SUITED TO THE JOB

It is at this point that you may begin to encounter the obstacles that can be overcome only by technical knowledge. If you don't have it, get it. If you don't have it within your own organization, get it outside. If you don't know where to look outside, consult a good public relations counsel—or your advertising agency. The important thing is that you do not venture further into the maze of the audio-visual field without a competent guide. You would not enter a lawsuit without a lawyer, or face an operation without a doctor. Furthermore, you would find the best lawyer or doctor you could afford.

Quite possibly you may go direct to the agency that is in position to serve you—the motion picture producer or the exhibit builder. But this implies that your problem is simple enough, or your own knowledge complete enough; that no doubt exists as to the medium that is needed. How is this determined?

On this point it is dangerous to generalize, but within certain limits we may do so.

If your audience is a small one and nearby, the display or demonstration technique may be the one called for. Especially is this true if your idea is related to the things you do and the way you do them. If you are seeking the understanding of the community in which your factory is located, you can bring people inside the walls where you can talk to them face to face and show them the machines themselves and the things they make. Or if you are planning a capital-funds drive for a community house, you can let people see for themselves the character-building work you do. This open-house device is demonstration at its best, for seeing is believing. There is no artificiality in which the seeds of suspicion can grow.

The first case outlined—the visible speech project—is obviously not one for the open-house type of demonstration. Our audiences are scattered and distant. We must send our demonstration or exhibit to the audiences. But the visible speech machine is a large and expensive apparatus in its present form, and we need experts on the scene to maintain it as well as to describe it. We would need scores of these teams to do the job. We must be satisfied with pictures if the job is to be done at all, and we must have a recorded voice if we are to avoid technical errors in telling the story. Furthermore, the symbols are not static, but fleeting, so that motion is called for. This process of analysis leads us inevitably to the conclusion that a motion picture is what we need.

The second case outlined—the financial problem—is local and its story must be told in terms of one community. The audiences are nearby, and their interest so directly affected that we may well think in terms of actually inviting them to our own scene of operations. It will undoubtedly be part of our program to go out and tell our story at various kinds of public meetings, and visual materials will be used to support the story. But economy, if not actual effectiveness, will argue strongly in favor of physical exhibits or displays rather than film. Little parts of the open-house demonstration can, in effect, be taken out into the community.

Here we have two specific situations apparently calling for entirely different treatment. Yet elements of the one will be found in the other, and only a detailed examination of each case can tell us just what kind of audio-visual material will be needed in its own peculiar set of circumstances. Guard, therefore, against generalization in these matters, and learn to look with suspicion on the self-styled authority who rides one audio-visual hobby.

Having decided on the general types of material that we must have, preferably with professional advice, we now reach the point where professional help is essential.

#### STEP IV—PRODUCING THE AUDIO-VISUAL MATERIAL

If film is to be used, first find a good producer. There are many such, as you will find by examining the *Year Book of Motion Pictures*, published annually by *Film Daily*, and available in any good library. You may judge of the producer's worth by viewing the films he has made for situations similar to your own and by consulting with those for whom they were made. Turn over to him the outline in which you have clearly defined your needs and let him make his recommendations.

At this point, the producer will no doubt want to assign a writer to the preparation of a shooting script. Watch this fellow well, for upon him, more than anyone else, will depend the success of the final product. Many a good script has been ruined by poor photography or direction, but no amount of good camera work or direction ever made a good picture out of a badly conceived or shabbily written script. The writer must have intelligence enough to grasp the story you want told, and imagination enough to visualize the story in terms of the screen. This is true whether the recommendation is for a motion picture or a slide film. It goes also for other types of audio-visuals. A good show is always "of imagination all compact."

Not until the script is written should you expect the producer to give you an estimate of the cost of the picture. In fact, it may be wise for you to withhold your decision as to whether you want a film until you have read the script. If so, you can usually arrange to pay for the script without committing yourself to make the picture.

When you are satisfied with the script, you will no doubt wish to show it to some of your associates. Don't distribute scripts to these people. Invite them to a script reading. Rehearse this session carefully and give them as nearly as is possible, the effect that the final picture will have on the audience. Let one person read the narration while another describes what will be on the screen. If dialogue is involved, have the scenes enacted.

The script approved, you are in the hands of the producer. Trust his judgment on technical questions and, with reasonable luck, you will in due time have a useful public relations tool. Don't expect it too quickly, for if our present-day film producers are weak on one thing more than another, it is the time they take to grind out their grist.

What applies to the film producer applies with equal force to other makers of audio-visuals.

#### Some Basic Questions To Be Answered

If you have a good audio-visual and it is followed by others, you will before long ask yourself, or be asked, "Why don't we have our own production unit?" Don't decide this too quickly. Some of the larger companies have facilities for making pictures and recording sound, and on occasion use them, especially for the simpler processes. But they usually prefer to be in a position to draw on the vast resources of the film production field rather than limiting themselves to what one outfit can do.

How long should a film be? As long as necessary to get the effect you

want—no longer. If you get set ideas about film length you are likely to drag out your story or to unduly compress it.

What will it cost? Beware of generalizations about the "average cost per reel," or "per frame." We could fill this whole chapter with a dissertation on film production costs, or exhibit production costs, and merely confuse the reader, if not actually mislead him. No two audio-visuals are alike and no two cost schedules are alike. The best thing is to find out what the specific job you have in mind is going to cost you, and measure that cost against the value you hope to get out of the project. If the value exceeds the cost, you have a project that's worth the money, no matter what it costs.

It is well to bear in mind that the circulation that will be enjoyed by either a film or an exhibit will be directly affected by the quality of craftsmanship and material that goes into its making. Since the real cost is not the over-all expense but the cost to reach and convince one person, the most economical project may be the one that seems to cost the most. A cheap audio-visual that fails of its purpose may prove to have been a costly enterprise indeed.

#### STEP V—PREPARATION FOR DISTRIBUTION

You will not be long in the audio-visual field without discovering that the problems of production are relatively simple compared with those of distribution.

The Bell System experienced a postwar spurt in the demand for films, and more were produced or otherwise made available in two years' time than in all the prewar years. But we found, too, that use was not keeping pace with production. This led to a series of regional conferences on distribution procedures throughout the Bell System, for which a series of notes was prepared. The rest of this chapter is drawn substantially from these notes and from the comments made concerning them by more than a hundred experienced users of Bell System audio-visuals.

It may puzzle the reader that, in this discussion which deals with public relations, we discuss more or less indiscriminately those audio-visuals planned for use with employees and those planned for use with the public. The reason is to be found in the enlightened concept that all operations should be judged in the light of their impact upon the public. A training film may have as its basic purpose the teaching of some manual operation, but the end result of that operation is to provide telephone service to the public, so that every training device tends to

include some reference to public relations concepts and principles. Motivation of the employee in directions that will help him to see his job in its true light as a public service is a fundamental public relations technique. Furthermore it is frequently found that the film made to train employees is the best film to describe the same process to a public audience.

More important, perhaps, is the fact that the worker in the office or the plant is the primary channel through which a company story may be carried to the general public. If we are to have the understanding of the public on matters of policy and practice, we must first have the understanding of employees. If audio-visuals are a part of the process of getting such understanding, then employees as well as the public must see and hear them.

#### Audio-Visual Libraries

Effective distribution of audio-visuals is not possible without the existence of adequate libraries at strategic locations. These should have a good supply of all materials that are likely to be needed. This means suitable storage facilities and adequate records. It means facilities for inspection and maintenance. It means provision for maintaining and distributing projection equipment of all types as well as other recordings, pictures, exhibits and the like.

The libraries will not function effectively without trained personnel who should be supported by access to information that will provide the means for keeping abreast of developments. Background material should be on hand for the users of the library's services.

The library, wherever possible, should be associated with a suitable projection room. Films can then be previewed by those responsible for their use and more efficient handling of the library's many duties is thereby possible.

An audio-visual library should make itself so useful and serviceable that it will be constantly and increasingly recommended as not only the repository for films and a source of technical service, but as a point to which anyone interested in any phase of the use of audio-visuals will go for information and assistance. A system for informing all interested people about the additions or improvements in the library's function and its scope should be instituted, by catalogs or through other media.

#### Catalogs

Important to distribution is the catalog. The Bell System film catalog contains some 300 films, with classified and title indexes. Information

is readily available as to subject, kind of film, length, price, purpose, contents, and instructions for ordering prints. This basic reference catalog is on file at several hundred strategic points throughout the country, including the audio-visual libraries.

In addition many of the Bell System units produce their own catalogs for more general distribution within their own territories. Various film libraries include telephone films in their catalogs.

You will want to give consideration to this matter of cataloging, no matter how small or how large your audio-visual operation may be.

### Projection Equipment

The types of projection equipment in most general use are the 16 mm sound or silent motion-picture projector, the 35 mm sound or silent slide film projector, the 2 x 2 slide and 3½ x 4 glass slide. The opaque projector, special film viewers and other devices for projecting and viewing pictures have special uses that you will not want to overlook. Charts and pictures, models, actual equipment, exhibits and recordings complete the range of types of media which can be used as vehicles of information. Purchasing and servicing of such equipment is a natural function of the film library.

Projection equipment is the mechanical factor in teaching with films or in informational programs. The effectiveness of the presentation depends not only on the condition of the equipment, its placement, provisions for assuring a good picture, condition of films and room facilities, but to a very large degree upon the efficiency of the projectionist. At no time should faulty projection be permitted to interfere with any performance. This means well-trained projectionists.

The projection equipment now available is at best an adaptation of equipment developed for mass entertainment. It often falls short of what is wanted for the entirely different uses we have for it.

What is wanted is a dependable projection unit that is small, light, sturdy and easy to operate. It should be able to project motion pictures, still pictures, sound, silent or three dimensional. It should have magazine loading and automatic threading. The instructor should be able to stop the machine at any point, either shutting it off or holding a picture indefinitely on the screen. He should be able to control it from his position before the group. If he wishes, he should be able to place the equipment on a desk or table and use it to show a film to two or three people at a time. The pictures should be as clear in the light as in the dark. The sound should be audible to a small group, without interfering unduly with other activities in progress nearby.

Manufacturers are turning their attention to designs of this nature, and certain of the features we want are already found separately available in different units. The sooner you insist on this kind of equipment, the sooner you will get it.

#### Building Facilities

If it is agreed that public relations audio-visuals should be shown first on the home grounds, then we must consider our own facilities for their use. In the modern office building or factory, important limiting factors are the absence of proper rooms for showings and the lack of adequate facilities in classrooms, conference rooms and other places where training is done or where employee discussion groups gather.

A few relatively simple considerations in designing a new room or converting an existing room will provide the facilities for satisfactory showings. Often they are features of any well-designed conference room which is both comfortable and pleasing to the eye. Given proper ventilation, the important considerations are darkening and sound.

It is possible to provide fair projection in a semi-darkened room, and for some types of films a level of illumination under which it is difficult but not impossible to read ordinary newspaper type is not only satisfactory but desirable. On the other hand, there are films which should be shown in complete darkness, so that facilities for quick black-out are vital.

Various methods can be employed in furnishing proper acoustical facilities, but usually draperies and floor carpeting will provide sufficiently good treatment. The ceiling can also be treated with acoustical tile but such additions should be made in accordance with reverberation time measurements. Present practices favor "brilliant" sound rather than the "dead" effect of too much acoustical material.

Convenient electric outlets and light switches, properly designed screens, conduits for speaker leads and good seating are also fundamental requirements.

Refinements by way of air conditioning, dimmer controls, projection booths and special lighting may be incorporated as the usage of the room warrants.

It is now the general practice to encourage consultation between the engineering and public relations departments so that suitable rooms and auditoriums can be given consideration when building plans are being prepared. Active cooperation at that time between these two departments can materially reduce costs and make the showing of audio-visuals more effective.

## STEP VI—CHOOSING DISTRIBUTION OUTLETS

### Theaters

Unless a public relations film can be classed as entertainment, it may get short shrift from theater managements. Yet informational films often have enough interest to make them popular with theater audiences. The best way to find out is to screen your film for one of the theater booking agencies in your city.

Some telephone companies make use of these booking agencies. Others prefer to maintain direct contact with the local theater managements. The neighborhood houses are the widest users of telephone films, but occasionally we have a subject that fits the program of a class A theater. Examples of these are "Mr. Bell," a film produced by RKO Pathé, as part of the Alexander Graham Bell Centennial program, and "The Telephone Hour," a movie version of the Bell System's radio program, with Josef Hofmann, the pianist.

But these are exceptions. For most public relations films, the theater is not a suitable channel. Distributing agencies will tell you that if you want your films to be shown in theaters, you must rid them of commercial matter, reducing the references to yourself or your product to little more than a title-frame "The American Fiddle Company Presents." The difficulty is that when this is done you have a picture that may fit the theater's purpose but does not fit your own. The public relations film is made to carry a message. If we must delete or dilute the message to any marked degree, there is little point in getting theater distribution.

### Mobile Theaters

The mobile theater or road show is now an established practice. It offers a means for showing pictures in rural or sparsely populated areas. Commercial film agencies provide 16 mm equipment and films to a projectionist who travels to remote points, rents halls and auditoriums and operates on a theater basis.

### Commercial Projection Agencies

In most communities of any size, you will find film agencies which will take your film and a projector and show it to an audience of your selection. Sometimes they will also arrange the bookings.

### Visual Education Bureaus

Many educational systems have established bureaus to look after the

audio-visual needs of the schools. They select suitable audio-visual materials and maintain libraries. These bureaus are growing in influence and usefulness, as more and better school audio-visuals are made, more classrooms become equipped for film projection, and more teachers are trained in the proper use of audio-visuals.

#### Museums, Universities, State Libraries

As a matter of public information and to assist school visual education departments, many state universities, museums and state education offices have established film libraries. Some of the museums use films as part of their service to the public. Some are progressive and keep subjects up to date. Others merely add.

#### Public Libraries

The public library is a potential source of films for organizations and the individual. Libraries circulate all classes of material for recording or transmitting knowledge. There is a trend toward motion pictures, and libraries are becoming more and more interested in their distribution.

#### Commercial Agencies

Commercial film lending agencies handling non-theatrical libraries have been established in many cities. Some of these distribute films on a nation-wide basis for a stated fee. These agencies are useful to the degree that the sponsor of the film does not himself have facilities for reaching these audiences.

#### Home Projectors

Lending of films to private individuals for showing at home promises to be an active field. Projector manufacturers are turning their attention to this market. Some thought has been given to a subscription service where many industrial producers and others would pool their films in one library to make them available to the home user.

### STEP VII—MEASURING RESULTS

Our Bell System motion pictures have not infrequently received widely varied acceptance in different companies and even in different areas in the same company. Sometimes a film that enjoys wide use in one company is discarded in another. The reason in most cases has been a difference in individual executive opinion as to the merit of the pic-

ture and its probable acceptability to the audiences before which it is to be shown.

This merely points up the pitfalls that confront anyone who attempts to forecast by judgment alone what any group of people will think of a motion picture. It is possible that the same film will be a knockout in one town and a flop in another town nearby, but our experience suggests that this is most unlikely. There is only one test that really can be relied upon, and that is the showing of the film before the kind of audience for which it is intended.

For conducting such tests, questionnaire forms are used which are

1. WOULD YOU THINK IT A GOOD IDEA TO SHOW THIS PICTURE TO:		
Schools ?	Yes (\$)*	No (\$)*
Congress, FCC, etc. Fraternal Org's. Large Corporations News Reel Theatres Army Personnel Red Cross Colleges Recreation Centers Hotels -etc-	55	23
Civic Groups ?	83	2
Church Groups ?	83	2
Luncheon Clubs ? (Rotary, etc.)	73	4
First Run Theatres ?	56	14
Neighborhood Theatres ?	83	6
Other? (30 suggestions) (Please specify)	—	—
2. HOW INTERESTED DO YOU THINK OTHER BELL SYSTEM EMPLOYEES WOULD BE IN SEEING THIS PICTURE? (S)		
Much interested	84	
Somewhat interested	15	
Not much interested	1	
3. HOW DO YOU FEEL ABOUT THE LENGTH OF THE PICTURE? (S)		
Too long	2	
About right	78	
Could be longer	20	
4. WHAT IS YOUR GENERAL OPINION OF THIS PICTURE? (Drew a circle around the figure in the scale below which most nearly indicates your opinion - "0" would be "No Good At All," "10" would be "Parfekt.")		
0    1    2    3    4    5    6    7    8    9    10		
0    0    0    1%    1%    6%    2%    15%    27%    23%    25%	The average score is 8.2	
5. YOUR COMMENTS, PLEASE - (Either Favorable or Unfavorable)		
The comments are better understood if the questionnaires themselves are examined. They are in Room 736, 195 Broadway.		
64 - "Good," "Excellent," or otherwise favorable		
21 - "Too emotional"		
19 - "Payment for calls should be mentioned"		
15 - Varied adverse criticisms		
11 - "Hospital flashes move too fast, unidentified, etc."		
10 - "More emphasis on civilian end of call"		
6 - "Propaganda too obvious for some audiences"		
4 - "Tracing call would be helpful"		

FIGURE 20.—AUDIENCE OPINION QUESTIONNAIRE USED BY A.T.&T. TO  
GET EMPLOYEE APPRAISAL OF NEW PUBLIC RELATIONS FILM.

designed to measure audience reaction as to interest, length and prospective audiences.

Measurement should not stop here. We should know also whether and to what degree the audio-visual has been successful in getting its message across. The public relations person will do well to consider supplementing the judgment of experience by the use of the public opinion survey techniques described in Chapter XIII.

An important requirement of results measurement is the quantitative report. Adequate records are needed so that we may measure the overall effectiveness of the medium, the relative usage of particular films or exhibits, and the performance and maintenance history of equipment. They are also useful in appraising costs and for general control of the activity.

#### Audio-Visual Committees

If your organization is a large one, with a far-flung organization of divisions or agencies, you may find it necessary to establish procedures looking to the advancement and full use of audio-visuals developed at a central point. Review committees in such cases may be useful.

These committees will assure that the medium is fully used and that it is more readily applied in the proper places. Economy is effected in the coordinated purchases of equipment. In general, a standardization of methods and policies is a direct result.

Such a committee also offers an incentive for the establishment of proper classroom facilities and efficient library systems. It further offers the flexibility required in making it possible to have audio-visuals accessible to locations that may otherwise be omitted because of small size or distance.

Another advantage of such a committee is that it would provide a means for more considered appraisal of the value of audio-visual materials.

If you really want to know "How to Use Audio-Visuals in Public Relations," the best plan is to start using them. There is much that can be learned only by doing.

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#### Editors' Note

The public relations uses of audio-visuals just described are concerned largely with the operations of companies having the maximum of

appropriations and trained manpower to execute a program. But most of these precepts and practices can be adapted to the use of the medium-sized and even the small organization. The primary lesson to be learned from this treatise is that every such operation should be initiated on a small scale and that fixed practices should be based on experience gained in trial-and-error procedure.

Even a corporation of substantial size having no experience or background in audio-visuals would do well to start at the beginning with charts and exhibits, then slide films, and finally develop from there into the use of moving pictures and television.

#### Measure Objective Against the Cost

Sound audio-visuals are not an inexpensive public relations tool. On the other hand the most costly device is frequently cheapest in the end. Always remember to measure carefully the importance of the message you have to deliver and of the precise audience to which you are appealing. Then consider whether the audio-visual is the most effective tool of communication for the job at hand.

The importance of this standard of evaluation is dramatized by the experience of a corporation which recently spent \$20,000 making a one-reel movie to illustrate a speech one of its executives was to make before a national trade association. That film will probably never be used again. The company is confident however, that the expenditure was well made since that presentation turned the thinking of a whole industry.

The reverse of that lesson is the experience of a corporation which sought to save money by producing its own film without expert guidance and technical facilities. Before the executives and cameramen were through guessing, they had staged an endless variety of scenes and exposed more than 100,000 feet of film. When they finally realized their error and called in a competent production company, it was possible to salvage only a one-reel picture, and that turned out to be what they were aiming at in the first place.

#### Supplementing Other Public Relations Media

Remember that the audio-visual only occasionally can do the whole job of getting the desired message to an appropriate audience. It should almost always be preceded and followed by the use of other varieties of media. Repetition is a cardinal principle of public relations communication.

Audio-visuals have proved extremely effective in the sale of almost every conceivable kind of idea. New uses for them are constantly being

discovered. One of the most dramatic of these is the dramatization of the annual report by slide films and moving pictures. Penn Mutual Life Insurance Company has perhaps gone further in this direction than most corporations.

The whole annual report has been put on film and shown not only to all employees and to policyholders throughout the country in regional meetings, but also to thousands of opinion leaders. General Mills prepares a film version of its annual reports for showing at its regional meetings of stockholders. Jewel Tea Company produces its annual report on slide film. Each of 78 branch offices are equipped with slide film projectors. Employees, stockholders, customers and community leaders are invited to community meetings at which the film is shown and booklets reproducing the frames and telling the company story are distributed.

#### Theater Outlets Indirectly Available

Opportunities for the use of audio-visuals may be found entirely outside your own facilities. Newsreel companies, short-subject producers and commercial-film makers often have need of scenes and situations within your area of operations which might be used in pictures reaching millions who would be entirely outside your grasp if you depended entirely on your own productions. For instance, *March of Time* frequently gives an invaluable boost to the public relations of some corporation or industry by using it in the background or even as the subject of a production that reaches 30,000,000 persons a month.

Every commercial-film producer whose medium might be available for this exploitation will be found listed and described in the *Year Book of Motion Pictures* published by *Film Daily*. The production executives of these film companies are always looking for new ideas and situations. If you have one that you think would fit into their formula, don't hesitate to call it to their attention.

While audio-visuals constitute a highly specialized area of public relations communication, the use of them should be correlated with other basic activities.

—G. G. and D. G.

## RADIO AND TELEVISION IN PUBLIC RELATIONS

BY THOMAS H. YOUNG  
Advertising Director,  
United States Rubber Company

■XXV

**I**N EXAMINING RADIO AND television we cannot consider every program on the air today a public relations program. All have some aspects of public relations, but we are concerned with those which are primarily public relations. How do we differentiate between programs designed merely to sell specific brand-name products and those developed for public relations? A workable, though admittedly broad, definition of public relations programming would be "any program carrying the name of a corporation and telling its story, as opposed to those which exclusively emphasize the brand name of a product."

Let's illustrate: "Theatre Guild on the Air" sponsored by United States Steel, and the broadcasts of the New York Philharmonic Symphony Society sponsored by United States Rubber Company, are two examples of public relations programming. In neither case do we rule out the possibility of promoting particular products of the company, but in both cases the story of the company and industry itself is the

primary "product" being presented. Examples of programs specifically designed to promote a brand-name product, but not a company, are shows such as most daytime productions (so-called "soap operas") sponsored mostly by soap or food companies. These advertise a brand-name product but generally do not carry the company name.

#### Radio and Television—Public Relations Ambassadors

It's an old saw, but nonetheless a true one, that any salesman of a company is a public relations employee. The impression he makes on customers has a very definite effect in forming opinions of the company. That's recognized, and the sales-training programs of most companies spend considerable time in training salesmen to be "good will ambassadors."

A radio or television program, even though it may be selling particular products, is in the same position when there is any emphasis on the company name. There is one difference between a salesman and a program, however, and it is a vital one—if a salesman is a poor public relations representative, a limited number of people will form poor opinions of the company because of him; but, millions of people form impressions of the company through its radio and television programs. A poor radio "ambassador" can have a severely injurious effect.

A company deciding to enter public relations programming should analyze any programs it is already presenting. A new program, specifically designed for public relations, can be wholly effective only when all programs of that company adhere to the same basic principles.

#### Purposes of the Program

A public relations program must affect the listener, as an individual, in his feeling toward the company. It should develop a friendly feeling toward the company, it should build its stature in the eyes of the listener, it should impress the listener with the integrity of the company, and inform him of the benefits that the company brings to the communities in which it is located and to the country as a whole.

The man who wants to develop a public relations program for his company has a natural question to ask: "What kind of program shall I use?" There is no ready answer to that, or if there is it might be: "Any program which gives the listener a sense of pleasure for having heard it, and which brings him information about industry which he finds useful."

Each problem of public relations programming is different from the others. As we are still pioneering in this field, we cannot lay down a set

of specific rules, which, when followed, result in a perfect program. We can talk only in generalities, illustrating our points from available experience.

Here is the statement of a well-known man in the field, made on the basis of his company's experience with a public relations program during the war years. G. Edward Pendray, formerly Assistant to the President in Charge of Public Relations and Advertising, of the Westinghouse Electric and Manufacturing Company, in *Sales Management* said, "Our purpose is to dramatize the 'extra step' which Westinghouse and its workers take in trying to make things better.

"We try to do this without exaggeration and without rubbing it in. We believe in Westinghouse, but we realize Westinghouse and its laboratories and engineering facilities are only a part of America's great industrial team."

His statement gives us a clue. It is a theory applicable today; doing the job without exaggeration and giving recognition to the fact that any one company is merely a part of industry in general.

#### Case History—United States Rubber Company

Let's look at an illustration and see why United States Rubber Company decided to sponsor the New York Philharmonic Symphony Society concerts and what the program accomplished.

In common with most large corporations, early in the war years the company realized it had few consumer products to merchandise—most products were being made for war use. It came to the natural conclusion that for general advertising only, the company name was left and that promoting it was necessary to maintain a consumer acceptance for post-war products. Having decided that radio could play an important role in these plans, the company faced the question as to the kind of program it should use.

It was interested in a program which would help public morale (remember this was during the war years), a program which would add prestige to United States Rubber Company and, because it wanted immediate effect, a program which already had a loyal listening audience. This was a difficult set of qualifications to meet, but the right program was found.

There was no question that the Philharmonic concerts fitted each qualification. Taking the qualifications in reverse order this was the picture.

The program had been on the air for 13 years and had an amazingly intense and loyal audience. This had been proven time and again while

it was a sustaining program—a number of local stations had carried the show until they found a chance to sell some of that time locally and then dropped it. There was a surge of protest every time the program was discontinued in a town and in every case the station was forced by public demand to reinstate the Philharmonic. It came to be known at CBS as a show that couldn't be taken off once it had been put on in a city. The company knew, therefore, that it had a ready-made listening audience when it took the show.

That the Philharmonic had the desired factor of prestige hardly needs discussion. The company was naturally proud to be associated with such a country-wide institution (which it had become through radio). The Sunday concerts fitted the idea of a program which matched the ideals of the company.

Testimonials by the thousands, personal letters from individuals in all walks of life, were on file to prove the value of the program to public morale. There was no question that it was an important factor in the lives of millions; it was a program which brought beauty and comfort into their lives—particularly welcome in those trying times.

So, the Philharmonic was chosen. The general form of the program is well known, being the regular concert plus an intermission talk. During the war years one series of intermission talks was "The American Scriptures," historic statements of famous Americans, dramatized or presented as they were originally spoken.

#### Public Relations Program Sells Goods

As time went on the public relations values accruing to the company through the program emphasized that such values were not simply a substitute for product advertising, but were equally important.

As a result of breaking ground with this experience, when the war ended it was determined that the program should continue much in the same vein—building the company name with the general public. It was realized that some product-selling could be done, so the general form of the sponsor's message was revised. A typical example was one in which the opening message came immediately following the invitation to listen to the Philharmonic. It was a tribute to the farmers of America. The name of the company was mentioned but once in the message, and no products were spoken of. At the end of the program a dignified message explained how science had helped the cause of American agriculture through the development of special tires for farm use, concluding: "It is another way in which United States Rubber Company seeks to 'serve through science.'"

The tenor of the Philharmonic broadcasts was integrated with the over-all advertising aims of the company. The company, recognizing that part of its responsibility to the public was to develop new and better products through its scientific facilities, adopted the slogan "Serving Through Science." The intermission feature had been changed to talks by outstanding scientists on nearly every scientific subject so the company had an obvious, though unstated, tie between these talks and its slogan.

In keeping with the character of the program the sponsor's messages were kept quiet; nothing boastful or blatant. Many different products and manufacturing divisions of the company were discussed on the program, but in each case they showed how science applied to industry is bringing us all better living—which is the operating theory of the company.

#### Another Pattern—U. S. Steel

Let's analyze another sponsored network program, now on the air, see what its public relations assets are, and how the company does the job. The basic formula of the program is quite similar to the example just discussed:

1. Entertainment, dignified in nature but with mass popularity
2. A message from the sponsor, underplayed and in good taste
3. The message presented by someone with the ability to give it dignity and credibility.

The United States Steel Company has sponsored the "Theatre Guild on the Air" since September 15, 1945. It has learned a great deal about the use of radio for public relations and we can profit by examining its techniques. It has consistently gained in listener rating since it first appeared.

A good definition of what a public relations program should try to do is contained in the following statement about the "Theatre Guild on the Air" by Irving S. Olds, Chairman of the Board of Directors:

"Through 'The Theatre Guild on the Air' program United States Steel hopes to create a better knowledge of its business and affairs and a broader knowledge of its important part in the American industrial world. As an entertainment medium, the program provides the nation's vast listening audience with radio adaptations of the finest plays of the legitimate stage, skilfully performed by the nation's most prominent theatrical producers, The Theatre Guild.

". . . Each week the program presents informative messages about United States Steel and the steel industry. Because steel is the basic raw



FIGURE 21.—IRVING S. OLDS, CHAIRMAN OF THE BOARD OF DIRECTORS, UNITED STATES STEEL CORPORATION (IN WHITE PANAMA HAT, LEFT) DEMONSTRATES TOP MANAGEMENT'S INTEREST IN PUBLIC RELATIONS RADIO PROGRAM BY VISITING WITH CROWD AT PREMIERE OF "THEATRE GUILD ON THE AIR."

material for thousands of finished products, these United States Steel messages also acquaint the public with the over-all story of American industry, its objectives, achievements, and contributions to better living."

#### Program Objectives

United States Steel wanted to point out how important steel is to our daily lives and how the company and industry contribute to a better life. It also wanted to acquaint the public with its thirty-three principal subsidiaries and show their importance to America. In addition it wanted the public to know how a corporation operates and why it works as it does. Finally, it wanted to tell something of how it helps its employees.

The above objectives are accomplished through the program, and one further objective. The program is public relations not only with the general public, but also with its own employees. A pride in the corpora-

tion as a whole is developed through discussions of the importance of steel to our daily lives. A pride in their own organization is developed through discussion of the particular subsidiary for which they work. Also, employees are helped to realize benefits which accrue to them from the corporation by discussion of what the companies do for their employees.

How have they accomplished their objectives? The narrator chosen for the stories about U. S. Steel is George Hicks whose easy style of reporting was already well known to the listening public. He does not sound as though he merely is reading a sponsor's message; he seems to be talking from personal experience.

Let's examine a typical company message . . . A story of U. S. Steel subsidiaries. In operation these subsidiaries run the gamut from steel producers to steamship companies. Here's the construction of a good public relations story. This was a story George Hicks told about the Isthmian Steamship Company:

#### Good Example of Public Relations Message

"As I speak to you now, it is 7:40 tomorrow morning in Arabia, and the sun is shining brightly on the Persian Gulf. Already heat waves are shimmering on the desert, and in an hour or two it will be so hot that metal will burn bare hands. On a spit of land jutting into the gulf, thousands of Americans and natives are at work, building a modern city. This is Ras at Tannara, the new capital of the tremendous Arabian oil fields.

"The men who work here are thousands of miles from America, but they work with the finest machinery, their houses are air-conditioned, and their hospitals have the latest equipment. Practically all of this equipment has been carried to them via the Isthmian Steamship Company, one of the members of the United States Steel family. For almost forty years, Isthmian has been carrying the products of America to the far off places of the world and bringing back their products in exchange.

"The house flag of Isthmian Lines is a familiar sight in dozens of ports of the East, from Alexandria to Manila. For years Isthmian's ships have sailed round the world . . . from New York, through the Panama Canal, to stop at places like Honolulu, Shanghai, Saigon, Manila, Java and Singapore and through the Suez Canal back to New York . . . while sister ships sailing in the opposite direction came through the Mediterranean and Red Sea to call at such ports as Bombay, Colombo, Rangoon and Calcutta.

"To replace the seventeen ships lost in the war, Isthmian has authorized a new and finer fleet so that every major harbor of the East will again be a port of call for Isthmian ships as they deliver the things

America makes and bring back the things America needs . . . rubber and silk, pepper and mahogany, cinnamon and tea, hemp and manganese, tin and rugs, oil of sandalwood and a thousand other things.

"Those ships will link this country with the other countries of the earth, for the benefit of all. That is the task of this member of the industrial family that serves the nation . . . United States Steel."

#### National Program Does Community Job

Notice how the "family" idea of U. S. Steel is carefully built up, and how the message has pointed out the benefits to the nation of Isthmian's operation.

The story which told about the company training program briefly explained how U. S. Steel helps its workers to advance in their jobs. It spoke of "Steel's philosophy of training" which was brought out by this simple statement of Benjamin Fairless, President of U. S. Steel, when he said the company "provides job opportunities limited only by the capabilities of the individual." Such a statement from top management is an effective technique. It concluded with a reference to the importance to the nation of such training:

"Just as this training benefited the nation at war, so is it important today—as U. S. Steel resumes its peacetime operations—training men for the production of steel—the strength of the nation in peace as in war."

This message shows industry recognition of responsibilities to its employees and to the country; how through training it helps a man to advance in "the particular trade he has chosen for himself." It concludes by pointing out how training is important to the nation—hence, U. S. Steel helps the nation.

#### Goodyear Tries Revolutionary Approach

The Goodyear Tire and Rubber Company early in 1947 began a new program on the American Broadcasting Company network. It is a revolutionary approach to public relations advertising on a national network. The idea has been used on regional network and local stations, and a similar idea was briefly tried on a national basis about ten years ago, but this is the first time a large advertiser has used the idea for a regular program.

Goodyear's show is a program without commercials. We have discussed how quiet, underplayed commercials can accomplish a public relations job, even when of normal length. Here is an example of what one advertiser is doing on a national basis *without* commercials.

The program dramatizes Biblical stories in modern speech. In the face of tough competition it has, in a short time, developed an acceptable rating—a rating which indicates a large listening audience.

The only credit Goodyear takes for sponsoring the show is the announcement: "Goodyear Tire and Rubber Company presents (or, "has presented") 'The Greatest Story Ever Told'" at the opening and closing. No other commercials are given.

This program has created considerable comment and has won at least one award for its public service. It is further proof of the value attached to public relations programming by large corporations—even to the extent of eliminating commercials entirely.

### Regional Use of Radio

We have taken a brief look at network radio, but all advertisers don't have budgets capable of supporting national radio, nor do all want it. What can be done with regional radio? Let's examine a program, or rather two programs, combining all of the elements of radio public relations. They are presented over the NBC Regional Pacific Network by Standard Oil of California. "The Standard Hour," a weekly symphony program presented in the evening, has been on the air since 1927 and the "Standard School Broadcast," an educational supplement to "The Standard Hour," has been on the air since 1928.

When Standard first presented "The Standard Hour" in 1927, there was naturally much speculation over whether a potential audience existed for this type of program. There was considerable argument over whether it could be considered a proper use of the advertising budget. Standard was very much surprised by the numbers and enthusiasm of the listeners and even more by the great number of requests for information about the music. Those requests led to the idea of starting an educational series of broadcasts on music. Inasmuch as this was to be an educational series Standard felt it should be used in conjunction with the schools. This brought up the problem of breaking down resistance to the bringing of a commercial program into the schools. This resistance was overcome because of the very nature of the program—it met the definition of a public relations program in that it was more than simply a vehicle for a commercial message. The company convinced the educators that it was bringing something which the educators could not themselves provide . . . an extremely useful supplement to their music appreciation courses.

The commercial message is reduced to the barest possible minimum. There is no mention of the company or its products other than the fol-

lowing at the opening and closing of the broadcast: "This is the Standard School Broadcast, presented especially for you by Standard of California." This, of course is reducing the message further than need be done with the ordinary program, but here the special problem of working with schools is involved.

Starting in 1928 with a narrator and trio and an audience in 72 schools, the program has grown until at its prewar peak it was using its own 20-piece orchestra, two singers, three actors, and guest artists, with an audience in 5,000 schools representing more than half a million students and 20,000 educators.

### Exploiting Promotional Values

Standard has not been content to merely present the program on the basis that in itself it was sufficient public relations work. Rather than leaving the job half done, it has carried on extensive field work with the schools, which is a most important element in this type of public relations programming.

Each year Standard's public relations department sends out a Fall announcement telling about the forthcoming course and carrying a full list of the stations. They offer free a Teacher's Manual containing material on how to make the best use of the program, and complete information on the music to be heard. In addition, there is a field representative who visits the schools giving advice on the use of the program, and taking suggestions for its improvement.

Officials of the company are convinced this program is doing a wonderful public relations job, making friends for them among school children and educators. It is also building an educated audience for their regular symphony program, "The Standard Hour." Incidentally, Adrian Michaelis, Program Director of the series said: "We found the School Broadcast getting notable Hooper ratings from adult audiences. That, of course, is just velvet."

Another indication of what the program is doing is shown by the response to the theme song the company commissioned several years ago. It was written by a member of the San Francisco Symphony Orchestra with words by Mr. Michaelis. After a tremendous number of listeners had written in requesting information about the theme, it was printed and mailed to the 50,000 persons who requested copies of it.

This is an example of not only what can be done with regional radio but how successful a large company feels regional public relations programming can be even when the "commercials" merely consist of a "credit line" for the company. It is successful because the company not

only filled a definite programming need in its area, but also because it had the foresight to follow through and do the necessary field and promotion work to make it completely successful.

### Programming for Local Stations

Good public relations programming does not have to be national network or even regional network in scope. There is much that can be done using a single station. Even national advertisers will find that certain aspects of single station programming can prove useful to them. The use of a local station in its manufacturing communities is a very successful adjunct to a plant city campaign, and local radio can be used to build the stature of the company in areas where it is weak. The regional or purely local advertiser, will naturally find that local stations will be his only profitable use of radio.

Program content becomes considerably more restricted when local radio is the medium. As we discussed at the beginning of this chapter, good public relations programming must influence the listener and increase the stature of the company in his eyes—naturally, a “disc jockey” show with spot announcements is not going to fill that need. Unfortunately, however, there is a preponderance of that sort of programming available on local stations. National networks and regional networks give the prospective advertiser a variety of programming from which to choose and if he should develop his own program ideas the necessary talent is generally available. Neither is true of most local radio, and the radio user must carefully avoid being stampeded into using spot announcements which will do little or nothing in the way of accomplishing basic public relations purposes.

### Use of Open-End Transcriptions

What kind of local programming is available? Give consideration to open-end transcription series—those transcribed programs, usually fifteen minutes in length although there are some half hour shows, which permit the insertion of the local advertiser's message at the beginning and end of the show, and in some cases in the middle. The types of programming available through transcriptions are too varied to take up in detail here, but there are many which will provide well handled entertainment—the kind the listener will thank the advertiser for putting on the air. The commercials, written locally, should be similar in nature to those we've discussed.

Second, consider the possibilities in acting as a public service for the local community. A company recognizing its responsibilities to the

community can build good will for itself by cooperating, through the local radio stations, in supporting community activities: the Red Cross, the Community Chest, local charitable organizations, the Chamber of Commerce, and numerous other local groups. They need support and assistance in their work. The exact approach to be taken by a company in supporting such activities through radio differs in every community. Its potentialities should be examined by the advertiser. Discussions with local station management and the operating heads of local organizations will bring out its possibilities.

Perhaps the most commonly used type of local good-will programming is a classical music hour. If there is a good local symphony, and the advertiser has a fair-sized budget to use in radio, sponsorship of a weekly symphony program is an ideal public relations vehicle. It is not necessary, however, to have a live symphony program to bring good results. A recorded symphony hour, properly handled, will do an excellent job.

#### Pacific Gas and Electric Builds Good Will

Let's look at the successful use of a local symphony hour. In 1940, the Pacific Gas and Electric Company, which serves Northern California with natural gas and electricity, took over a hitherto sustaining program, "The Evening Concert" on KYA, San Francisco. It was a two-hour program of classical music, on records, presented every evening from 8 to 10 p.m.

Why was it successful from the start? First, the musical balance of the program was well thought out. The standards were kept high and offerings ran from the traditional to the more modern, and occasionally even the ultramodern. Pacific Gas and Electric was interested in building good will for itself as an institution but it also wanted to foster a demand for gas, electricity and appliances. It was obvious that frequent repetition of commercials on a cultural program, or commercials that jar the listener might be resented, so company executives used all of their ingenuity to have advertising in as good taste as possible.

The loudest praise from listeners was brought forth by the fact that during the entire two-hour broadcast only three commercials were interjected. This is a point worth considering, for in such programs the underplaying of the commercials has a positive value. Rather than losing by not using as much commercial time as possible the company gains, for the listener is well aware that the advertiser is foregoing commercial time in order to make the program more listenable. Moderation here pays dividends.

### Commercials Emphasize Public Service

The same is true for the type of commercial used. The one- or two-minute commercials presented on this show were very carefully worded so as to fit the dignity of the program, and they touched on subjects like these:

1. Adequate and esthetic lighting as an aid to more cultured living
2. Safe, inexpensive, effortless heating to promote comfort in the home
3. The hot water heater's contribution to civilization.

It can be seen that product advertising was underplayed in such commercials, thereby building good will for the company, but at the same time a desire for the facilities discussed was developed.

Al Joy, the Advertising Manager of Pacific Gas and Electric, was quoted in *Sales Management* as saying: "After the enthusiastic interest evinced by the public, we are sold on this type of radio program as a supplementary form of advertising to our newspaper, magazine, billboard, dealer display, sticker, and other media. All indications are, that this interest, increasing tremendously, was not just a flash in the pan."

As concrete evidence that the interest was not "flash in the pan", Pacific had 5,000 programs printed for distribution to their listeners, when they first went on the air. They did not offer to mail them, but invited listeners to call for them at their offices. To their surprise the entire printing of 5,000 was called for and in a short time they found themselves printing 10,000 each week. It is good evidence that a program is successful when that many people will take the trouble of personally visiting the company offices to pick up a copy of the printed program.

### Television in Public Relations

So far nothing has been said about the use of television as a public relations medium. Today we all have questions about television—questions for which as yet there are no answers. The medium itself is so new, at this writing, that although considerable work has been done with it, little has developed in the way of firm theories about its use. There is little doubt but what the FCC decision to standardize black-and-white television has resulted in greater use of the medium. With greater use more questions as to how to use it are being asked, but the answers are not always available.

Today the use of television requires the trial-and-error method. In most programming there is no experience to rely upon, and new ideas

have to be tried to determine their value. We can surmise that the same basic theories applying to standard radio public relations will apply to television, but there will be questions about each theory. Exactly what kind of programming will leave the listener with the feeling he has gained something? How should commercials be done so they are not annoying, and so they build the stature of the company presenting them? Is television a more effective medium for public relations work than standard radio? There are no two people who will give the same answers to those questions.

#### U. S. Rubber's Public Service Programs

We might review what one or two companies have done in television to get some clues to the answers. A half hour weekly program, "Serving Through Science", presented by United States Rubber Company over Dumont's WABD, was an experiment in public relations television. It featured Dr. Miller McClintock in a series of science talks using motion picture films for illustration. His talks covered a wide range of science subjects, all at a level anyone could understand.

The commercials on this series varied from "how to do it" motion pictures on the use of company products to fairly elaborate sets utilizing actors and actresses. The latter were long commercials, as were some of the former, and probably longer than is consistent with good listener reaction. It was felt that the commercials were interesting but, because of the newness of television, it is hard to tell how much of the interest was simply because it was television and how much was a result of actual interest in the commercials themselves. There is little doubt that liberties can be taken with television commercials today because the viewer is interested in anything which appears on his screen (set owners have been known to leave on their screen a station test pattern, nothing more than an abstract geometric figure, just for the thrill of seeing a picture coming over the airwaves.) This series did show, however, that it was possible to put on programs which had a "public service" value and to integrate commercials in a pleasing manner.

Other programs which were public relations in aspect are several remote broadcasts sponsored by the company. The company sponsored the telecast of the installation of the new Bishop of the Episcopal Church, a program from Washington which was seen there and in New York. An important element of this telecast was the public relations job accomplished with the ecclesiastical world through publicity in church publications. This is an example of the job which can be done with a small but important group. Naturally, there was no real com-

mercial for this broadcast, as it would have been out of character. The sponsor's message was restricted to showing the company trade-mark at the beginning and end of the broadcast with the brief comment that the company was pleased to present the event. In this type of thing television has an advantage over radio by being able to show something tangible, such as a company trade-mark, in addition to the verbal mention of the sponsorship.

### Use of Industrial Films in Television

Some advertisers are interested in using television (TV) as a public relations medium, but do not want to spend the amount required for the size of audience obtained. (Television time today, in New York, is as high as \$500.00 per hour time charge and \$1000.00 for live studio facilities, including three hours' rehearsal time, with talent and production costs extra.) There is a possibility in TV programming which has not been exploited—the use of industrial films.

Many companies have rather extensive film libraries containing films produced for showing to the public through class, schools, company groups and theaters. Even when all possibilities for such showing have been exhausted, only a limited number of people have seen the films. The cost per person of producing a film is therefore often high and its usefulness limited. Television offers an opportunity to expand that audience and reduce cost per person simply by adding the minimum expense of television time. (Note that television time for film showing is the same hourly rate as above, but the charge for studio facilities is only one-fourth of the above.)

There are cautions, however. This is one of the phases of TV programming in which it is all too easy to develop poor programs. The mere fact that a company has industrial films available does not solve their television problems. It would be safe to guess that not more than one in fifty industrial films is satisfactory for TV use. Films which are merely eulogies for a product, those lacking continuity or a theme, those poorly prepared and uninteresting, those too highly scientific or technical in nature, etc., would not be adequate for presentation to the television audience.

### Don't Overdo the Commercial

TV films must have the same quality of mass appeal as regular radio programs. Unless they do, there is little sense in presenting them. It is true that today the mere fact that they are television creates interest in them, but we are looking to the future when audiences will be as se-

lective as today's radio audience, or perhaps even more so. They must also be dignified. TV films can become "plug uglies"—programs which so obviously and blatantly advertise a product or company, they become distasteful to the viewer. It is important to realize that the company story can be toned down in the narration because the picture is creating an impact.

It has been suggested that a company preparing a film for television can entirely eliminate the spoken commercial. As an example let us suppose a film is prepared to tell the story of how a manufacturing plant is an important factor in a community. Exterior shots of the plant showing the company name, interior shots of the plant with the name in the background, the name appearing on workers' uniforms, etc. may be sufficient to emphasize the company name. The "commercial" is a part of the film story of how the plant helps the community and need not be re-emphasized.

The possibilities in use of films are still to be explored. The primary danger is the urge to present any film which happens to be available, regardless of its television acceptability. If films are properly selected, however, they offer an opportunity to use television at a minimum cost.

There is one further caution. Some films are not good technically for TV use. Consultation with the technicians is important in film selection.

The details of how to use production devices in television and an exposition on its limitations, would take more space than can be devoted to it here. For further information, however, a new book on television has been produced by the General Electric Company. It is one of the most complete books on the subject and is based on GE's experience with the production of over 950 live shows on their own station, WRGB, Schenectady, New York. Written by Judy Dupuy, it is titled, "Television Show Business."

There are many things which will be done with television in the future, but rather than depending on a textbook to guide us we will have to write the book as we go along.

## CONCLUSION

What basic conclusions can we draw from the generalities we have discussed, and the examples we have reviewed?

First, we know that many companies have used radio for public relations and are convinced that it is successful. We have read about what a few of them have had to say of its use.

We know that there is a difference between brand name advertising and public relations programming which promotes a company name and industry story. We also know, however, that it is possible to actually have commercials in a public relations program and that we can sell products on such a show. It has become obvious that each company and industry has its own public relations problems which it must adapt to radio but that all have similarities, and that a good program cannot be developed without careful planning and much thought.

We have discovered the basic things which any public relations program ought to have. They form the simplest type of check list for a new program. Any public relations show should include:

1. Programming with a mass popularity which offers the listener something more than merely a wrapping for a commercial message
2. A brief, well-told company story; a story which is underplayed and subtle; one which is never boasting or flamboyant
3. A company story told by an individual who gives it dignity and credibility.

We know that all kinds of radio can be successfully used; national network, regional network and local radio. We realize that it does not require a budget capable of supporting a cast of actors and an orchestra. We can do public relations work with limited funds.

Keeping in mind that public relations advertising is any advertising which promotes a company and industry in the eyes of the public, that it is on a personal rather than a mass basis, we can develop radio and television programs which both increase the prestige of a company and sell its products. It is not something nebulous in the way of programming; purely a gift to the listening or viewing public with no credit to the donor. It is recognition of industry's responsibilities coupled with a desire to tell what is being done about them. In reality it is selfish interest—an earnest desire perhaps to give the public, through advertising, a chance to evaluate industry's service in a way that has never been possible before.

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### Editors' Note

We have barely begun to discover the potentialities of radio and television in public relations. It's a long time since Cicero said, "A man's power is as loud as his voice." The most dramatic examples of the swift

ascent of men to great power have occurred since radio began to appeal simultaneously to millions of people.

Franklin D. Roosevelt swiftly became one of the most powerful individuals who ever lived almost entirely owing to the availability of radio and an unparalleled aptitude for its use.

By the use of this medium Hitler started World War II and made millions devoted to his cause. Through the radio, Townsend, Long and Coughlin each developed armies of fanatical followers which, had they ever united, might have destroyed this country.

Whether the purposes of these leaders were constructive or destructive, each was selling a broad program, but was constantly emphasizing one central idea. Each was doing with amazing effectiveness what the public relations director has to do every day: selling an idea and weaving a program of action around it. There was a wide chasm of ideology and motive between Roosevelt and Coughlin, of course, just as there is a broad difference between the purposes of any of them and those of the public relations executive. The point is that the radio made possible the marshalling of armies of ideological protagonists and antagonists overnight. The obvious lesson is that public relations cannot neglect the smallest facet of influence in so powerful a medium.

This is particularly true at a time when government control over radio and television not only make sure that the airwaves are open to all who can find the funds to pay for them, but require radio chains and stations to give a vast amount of free time to almost anyone who is aggrieved by the presentation of an attitude which conflicts with his own. In that philosophy radio stations have been forced to give free time even to the Communist party.

#### Skill and Experience Required in Programming

These considerations would seem to make it mandatory that the highest possible degree of technical skill and public relations advice be employed in the preparation of any message that is to reach the public through radio or television. This is particularly important in the case of television where the message appeals to the eye as well as the ear and the slightest attitude or mannerism on the part of the person broadcasting may please or offend millions.

As to radio, sources of qualified technical guidance are abundant. Most good advertising agencies are equipped to give sound advice in these matters. A long list of professional producers offer consulting service as do many public relations consultants. Every radio chain and

every station manager will be glad to give you the benefit of his own experience and that of affiliated organizations.

In television, sources of accurate guidance are more scarce. The agencies mentioned above can be helpful but their experience is necessarily limited, too. The spirit of cooperation is spreading rapidly through business. Some of the best advice can be had by consulting executives among the national advertisers who have had some extensive experience in the use of television as a public relations tool. These include:

Atlantic Refining Company  
B. T. Babbitt Co., Inc.  
Benrus Watch Co.  
Borden Company  
Botany Mills  
Bristol-Myers Co.  
Bulova Watch Co.  
Chevrolet  
Commonwealth Edison  
Elgin Watch Co.  
Firestone Tire & Rubber Co.  
Ford Motor Company  
General Mills

Gillette Safety Razor Co.  
Goodyear Tire & Rubber Co.  
Gruen Watch Co.  
Gulf Refining Co.  
Johnson & Johnson  
Longines-Wittnauer Watch Co.  
R. H. Macy & Co.  
Marshall Field & Co.  
RCA Victor  
Sears Roebuck & Co.  
Standard Brands  
United States Rubber Co.  
Waltham Watch Co.

### Program Patterns

While a long record of experience hasn't yet been accumulated, the program patterns used by these advertisers seem to break down into six principal categories:

1. Sports events
2. Variety shows
3. Audience participation programs
4. Dramatic shows
5. Films
6. Musical programs, classical and popular.

Choice of the type of program will depend primarily on the sort of audience you want to reach and the nature of the public relations message you hope to convey. Gillette Safety Razor Co. appeals exclusively to men and has found the broadcasting of sports events both by radio and television a profitable medium of communication. Other companies which make wide use of both radio and television for public relations messages find that if the appeal is to be universal, a high type of musical or dramatic program is likely to be the most effective.

### Coordinate with Other Media

Radio and television can be invaluable supplements to every conceivable medium used in public relations work. Not only do they hasten the carrying of messages to large groups of widely scattered individuals, but they lend themselves to a great variety of promotion projects to which other tools are not so well suited.

For instance, opinion leaders in the groups at which broad programs are aimed can be brought into studios and be permitted to observe and sometimes to participate in the program. Literature based on such programs has high attention-getting values. The broadcasting of programs is particularly effective in cooperative campaigns and for developing inter-industry relations.

One outstanding example of this technique was the job U. S. Rubber did in broadcasting, by radio and television, the Golden Jubilee of the automotive industry.

### New Public Relations Uses

Industry only now is becoming conscious of its stewardship in addressing its annual reports to the whole public. International Harvester, Republic Steel, Pet Milk, A. T. & T. are among the companies which have developed broad areas of good will by explaining their operating results and management policies to the whole public through radio broadcasts.

Perhaps United States Steel has made the outstanding contribution in the development of this technique. For a series of weeks it confined the commercial announcements attending its broadcasts of "Theatre Guild of the Air" programs to a discussion of those aspects of its annual report which had to do with employee and community welfare specifically and public welfare generally. Union Oil Company uses television for the same purpose.

This technique can be adapted to the community level at relatively small cost and with a high degree of community interest. A typical example is the radio program sponsored by the Chamber of Commerce of Bridgeport, Connecticut, and local business organizations. The primary object of the campaign was to educate the wives and families of factory workers on the basic facts of business management and its industrial relations. Prior to the broadcast three or four wives of workers were taken through selected plants in which their husbands work. They observed the wage earner at his job, visited presidents and top executives, asked questions and were told about the policies and

philosophy of the company. The women then appeared on the radio program, chatted about what they had seen and heard in terms of family interest, asked questions of the master of ceremonies and were given the answers the sponsors wanted to convey to the public.

A study of the use of advertising in public relations work (Chapter XXVI, Part VII) and the place of audio-visuals in programming (Chapter XXIV, Part VII) will be helpful.

—G. G. and D. G.

## PUBLIC RELATIONS ADVERTISING

BY HERMAN W. STEINKRAUS  
President,  
Bridgeport Brass Corporation

■XXVI



N THE PERIOD BETWEEN

World Wars I and II only a very few companies spent a part of their advertising appropriation for anything so new and experimental as public relations advertising. Most advertisers took space specifically to tell about their line of products, and there they stopped.

The few which branched into this wider field were in general large companies offering some service to the general public. Typical were the Metropolitan Life Insurance Company, one of the early pioneers with their program of information about public health, a few utilities, and the Squibb Chemical Company which informed the public as to medical facts, and at the same time emphasized the integrity of their company.

### Wartime Developments

Then World War II arrived, and with it the biggest production job in the history of the world; production to support an army of mil-

lions of men, and goods to go to many other nations. Prominent citizens were called to Washington, and the government conferred with them as to how this could be done. They quickly realized that the actual production was one job. But there was also a bigger job; getting the public to know the facts and enlisting their enthusiastic support. That had to be done if the war was to be won.

Together the Army, Navy, and civilian leaders worked out a program to reach the public, making use of newspapers, magazines, motion pictures, booklets, display materials, billboards, and radio. They used every technique which companies had employed before the war, and added many more developed out of wartime experience.

No one needs to be reminded how effective that program was, both for getting out production and for putting over the various war drives.

In this effort many plants were converted 100 percent to making war materials. They found themselves with just one customer—the government. This was true of the automobile industry, the copper and brass industry, the rubber industry, textile plants, chemical companies, and many others.

At first these companies continued some of their advertising for the purpose of keeping their names before the public. As the war went on, they found they could do this and at the same time help the war effort by using their advertising space for promoting the sale of war bonds or for morale-building purposes. .

### Idea-Selling in Advertising

When the war ended they slowly began to realize that they faced a new situation. They could not go back to the old days when they merely advertised their products. They had become aware of public reaction and public opinion. They began to recognize advertising as a powerful tool for the selling of ideas as well as products. They discovered that people are influenced in their public attitudes and in their buying inclinations by the character and conduct of the company producing the merchandise as much as by the price and quality of the goods offered.

So public relations advertising found its place. No doubt this would have come about slowly without its use in the war, but the war gave it impetus and permanence.

Another phase of the situation is this. Within the last few years the country has suffered grave labor troubles. Management is beginning to realize that between its thinking and the thinking of the people who work in factories there is a great gulf. What management believes, in



## *It's more than a matter of dollars and cents!*

We, in General Foods, believe that we have 3 major responsibilities—and they're more than just a matter of dollars and cents:

1. To provide jobs for people...for men and women who believe in work, and who want a chance to build for the future.

(More people worked at General Foods in 1946 at higher average wages and salaries than ever before.)

2. To provide profits for people...as a just reward for the confidence and thrift of the men and women who invest their savings in our productivity.

(General Foods has paid 103 consecutive quarterly dividends. To-

day there are 67,000 stockholder-owners of General Foods, 78 percent of whom own less than 50 shares of stock apiece.)

3. To serve the people. To provide jobs and profits, General Foods must first of all provide good products at fair prices for all the people.

(In 1946, more American families used more General Foods products than in any year in our history.)

That's how we see our major responsibilities. And we will keep on doing our level best to meet these responsibilities well, and wisely.

**GENERAL FOODS**

250 PARK AVE. • NEW YORK 17, N. Y.

FIGURE 22.—GENERAL FOODS ADVERTISEMENT SELLING THE IDEA OF THE POLICIES AND PUBLIC SERVICE OF THE COMPANY.

many cases workers do not believe; what many workers believe, management knows is not the truth. Somehow this gulf must be bridged if management and labor are ever to work together in cooperation and harmony.

Public relations advertising offers a logical means for companies to present their ideas, and offer fair information to their workers and to the public. At the present time the misconceptions in the mind of the average American citizen about business and how it operates are appalling. No doubt such misconceptions have been innocently acquired in most cases; in others without doubt they have been circulated subversively, and management has not done very much about correcting the situation.

### Restoring Worker and Public Confidence

Somewhere along the line of our business growth, industry has lost the confidence of its workers. Its Number One job now is to restore confidence, and gain the good will of the public at large.

This is not a project for the government or any business association. The best exponent is the local company where the individual works. The worker knows his company; he is familiar with it. He will listen to its story. Its public relations advertising will carry more weight with him than any message from an organization he knows little about.

Of course this does not mean that product advertising is to be drastically curtailed. It simply means that advertising has in these last few years gone a few steps further; to the advertising of products is now added the advertising of ideas.

### Objectives of Public Relations Advertising

There is developing a trend for every company, no matter how large or small, to lay aside some appropriation for this purpose. Public relations advertising is being used to tell the story of American business and how it operates; to let the public know that the company is a good place to work; to explain its policies; to show that it is a good neighbor in the community.

Public relations advertising can also dispel the idea that business exists only to make exorbitant profits, to exploit the worker, to crush unions, or that it is a part of a controlled cartel of wealth opposed to the interests of the public. Strange as it may seem, all those things are being told to workers today, and in some quarters are being believed.

Many companies, having decided to use public relations advertising,

have done what seemed to be the simplest thing, they have turned the subject over to their advertising department or to the agency handling their account.

At first glance this would seem to be logical, but in practice it does not work out well.

### Skill and Experience Required

Public relations advertising requires experience and skill that is seldom developed in the promotion of product sales. The entire purpose is different, the approach is different, the technique is different.

When we advertise our products we boast about them, and tell how fine they are. That may be all right in telling the public about the products we make, but it is not good for advertising a company and the principles for which it stands. That is one fundamental difference between product advertising and public relations advertising.

If we make a car, we can advertise that car as the finest vehicle on four wheels; we can indulge in all manner of superlatives within the limits of truth. But if we use a fraction of such praise in talking about our company it sounds boastful and insincere. It also estranges our friendly neighbors, and lessens the good will of our competitors. Your competitor apparently does not mind if you declare you make the finest machine tools in the country, but your neighboring plant and its employees mind very much if you declare, "We are the finest company to work for in this area," if they, too, have an excellent reputation. It accomplishes just the opposite of what was intended.

What you are trying to do in public relations advertising is a two-fold job. The first part is to get the people of your own plant and the community to understand the company better, and to know what it stands for. That presupposes the company does stand for something, and has worked out certain principles which are the basis on which it conducts its business.

### Policy Comes First

If a company has no praiseworthy policies it had better give some thought to the subject at once. If it has weak and inconsistent places in its policy, it had better fix them up, for unless the company does have sound policies of operation it will never be able to stand the public spotlight of a public relations program. In that spotlight it does not take long for the public to detect flaws which easily lay concealed before.

Many companies have policies they have been proud of for many years. Some New England companies in existence for several genera-

tions emphasize their long record of dependability; others emphasize security of employment. A newer company may wish to emphasize its future possibilities, its good pay for employees, its modern facilities, or its welfare and safety programs.

Recently a survey was made in the city of Bridgeport, Connecticut, to test public opinion toward various companies. It is a city, six of whose major companies of national reputation had been located there from 10 to 85 years. It was assumed average citizens would know a great deal about those companies.

#### Measure of Public Ignorance

In many cases they did not know what products were made. They had practically no knowledge of who owned the plants, whether they had many stockholders or a few, or what the comparative situation was among them for advancement, safety, and conditions of work. In many cases the persons interviewed replied with information that would have been fairly correct twenty years ago.

At one time one company was controlled by a single family. Now the stock has been so widely sold that it is owned by about 10,000 stockholders. Only a few of the citizens were aware of this change.

Public relations advertising has a wide open field in most towns and cities in telling the people facts about the companies right in their midst.

The second part of a good public relations policy is more general: to help the public get a correct understanding of certain economics of your business or industry, or business in general. It should naturally uphold the private enterprise system on which the company's future success so largely rests, and do its bit to correct misinformation on that subject which has been so widely disseminated.

There are a number of ways to carry out a public relations advertising program, for there are many means of reaching the public today. But I believe the principal one, and the one that adapts itself to the small budget as well as the large, is the use of newspaper advertising. Larger companies who have need of a more elaborate program make more use of the national magazines, weeklies, television, radio and films. However, the smaller company is trying mainly to establish a favorable identity in its own community, and for that by far the most satisfactory vehicle is the local newspaper.

The outlay does not have to be great, for the simplicity and sincerity of the copy is more important than the amount of space. The honest, direct statements from the head of the company will often carry more weight than the more polished message written by an expert.

## WHAT MAKES GOOD COPY

What should go into such an advertisement? Let us start by saying what should not be put in. A common type of advertising and one, incidentally, which it is very easy to write, shows in a large space a picture of Abraham Lincoln, or Franklin Delano Roosevelt, or some other famous character, with a quotation of what he said, and then a lot of preachy language as to how that quotation applies today, and the lesson it has for us. Such an effort is practically worthless.

Another common kind of advertising is the half page or full page of writing, usually with no relief of cartoon or illustration, but simply columns of small type, explaining some economic point, or some company's slant, with absolutely nothing to induce the reader to read, or to hold his attention.

A few years ago a group of businessmen wanted to get the idea across that labor and management could and should work together. The copy brought out the point that labor was like one wheel to the cart, and management was another. Each could not operate alone but they could pull together and get somewhere. The copy was good in itself, but not good enough until it was coupled with a clear cartoon showing a truck with the public in the driving seat. It proved a very effective advertisement, for the point was simple and clear.

Long essays make no appeal, no matter how worthy the sentiment which is expressed.

Some of the large companies and best-known national associations have been equally guilty in wasting money for copy of this kind which passed for public relations advertising, but actually was too dull to make any impression.

### Subject Matter for Ads

What, then, should the advertisement tell? Facts of interest about the company, its policies, its management, and its employees, in simple language appealing to the self-interest of the reader. A whole series of advertisements could easily be written on any one of those subjects, either as plain copy, or with illustrations.

A good example of the economic type of public relations advertising is that of the Eastern Railroads, which appeared in recent newspapers. It brought out the fact that while the general public believed that railroads made 15 percent on their investment, and the public was willing to grant them the privilege of making 10 percent, the truth is that the

Eastern Railroads were making only a  $2\frac{3}{4}$  percent profit. This is factual and valuable information.

If a true picture is presented through public relations advertising when there are no critical issues pending, a backlog of good will is built up which comes in good stead when critical situations do arise. This was borne out by the experience of many companies during recent strikes. But if companies wait until difficulties arise, it is usually too late to blazon forth a program which the public will accept.

### One Company's Rules

We have worked out for our company, the Bridgeport Brass Company, a set of rules to test all public relations advertising copy before it is sent to the newspapers. It is a sort of standard to aim at, although we would be the last to claim we carry it out 100 percent. But at least it is a helpful gauge to go by. It consists of eight main points to be applied to the copy.

*Is it absolutely true?* That means the whole truth, with no evasive statements and no halftruths.

*Does it appeal to self-interest?* All such copy should be written in terms of the personal interest of individuals in the audience to be addressed.

*Is it interesting?* If not, make it interesting by rewriting, by illustrations, pictures, or other graphic material. Is the subject matter told in human interest terms? If it is dull, or is arranged so that it looks dull, the reader will only skim through and hit the high spots.

*Is the message told in simple language?* It should read as you would talk if a friend asked you a question on the subject, and you set out to give him an answer. Avoid the high-sounding phrases that are hard to grasp, or the hackneyed expressions that are heard so often they cease to make an impression.

*Is it boastful?* If it is, rewrite it in an entirely different tone. You are not taking space to boast, but to tell facts to the public which they do not know. There is a world of difference between those two things. One is simple, humble, winning; the other is pompous and smug. If you tell the story modestly you have a much better chance of winning hearty endorsement.

*Does the point really get across?* Some advertisements read like a chapter out of an economics textbook, because they try to cover too much. Make one point simply and directly, but make it. Don't try to tell them everything there is to be said on the subject, and cover so much territory that you are convincing in none.

*Is it too long?* This deserves special consideration, because it is the most common offense, and the easiest to rectify. If there is an area of white space around the message, that is not space lost. It will serve to point up the article, and attract the eye. Keep all captions brief, pithy, informative. Rewrite and rewrite until it reads well.

For instance, a Bell Telephone advertisement, showing how its chief executives came up to their present position from very humble jobs in the company, features their pictures and carries the simple caption, "Up From the Ranks." Only four words, but powerfully effective. They tell the whole story.

*Finally, does the copy leave the reader with an optimistic and friendly feeling toward the company?* Particularly during labor controversies much copy has been published that was bitter, combative, and depressing. Such copy accomplishes little good. Find a slant that is constructive, and build your message on it. When the reader is through, he will get a lift and inspiration. Progress is made by building on the positive.

#### Use of Pictures

Perhaps a special point should be of the use of pictures. Personally, I have always believed in using all visual aids freely. I do not refer to the professional picture, such as the honest workman with a big smile, carrying his dinner pail as he goes to work. I mean the true factual picture taken of Joe Smith at his tool bench, with a logical and convincing caption. It might read, "Joe Smith has worked at Peerless Products for 25 years. He and 250 others enjoy get-togethers at the Quarter Century Club."

The public can draw their own conclusions. It is not necessary to add, "Only a fine and wonderful company can hold its employees so long. That is because we treat them right; they enjoy the best clubs and recreation any company can offer, etc." That's bad. The more said, the less convincing it becomes.

In case pictures are used, a few more points might be kept in mind:

*Is there a focal point in the picture?* It should emphasize just one thing; a man, a machine, a process, not two or three things jumbled together. If it is a photograph of men working, try always to show them in their jobs working in the regular way, not looking at the camera or posing because it would make a good shot. The employees themselves are quick to detect a work picture that is posed or "phony."

*Use names of people in pictures wherever possible.* At first, in using pictures in our advertisements, we did not add the names of the people in them. However, we soon found out the public wanted to know who

the workers were. Now we include a brief mention of who the person is, what he is doing, and any interesting information about him. He may have seven children, or he may have won a \$500 prize in the suggestion system. Those are human interest facts.

*If there are several pictures, see that they are in proper sequence.* There is always a temptation to arrange pictures so that they fit the page instead of fitting the story. Fitting the story is of course the first thing to consider. Remember, you are not competing for a photographic prize, but trying to get a message across to the public.

### How Much Space?

The amount of space to take, and how often the advertisements should appear depend on two things only—how much money there is allocated, and how important the message is.

Usually anything less than a quarter of a page is not worth considering. It is apt to be completely passed over, although in product advertising, very small space can be utilized.

Full pages or half pages are more customarily successful, if they are not used too lavishly. The public is quick to feel that the company must have a lot of money to spend if they buy so many full pages. Such an advertising program is likely to boomerang. The importance and the nature of the message determine whether space should be taken occasionally or at regular intervals, such as every other week, or every week.

These are only suggestions. Actually each company has to make its own rules, for companies differ just as communities differ. No hard and fast rules can be set down to apply to all equally.

A sample of this type of advertisement is illustrated on page 500. It is one of the Bridgeport Brass series of sixteen full-page picture stories which appeared every other Sunday in two local newspapers. It proved to be a simple but effective program, such as any company could easily present. The series showed various company activities so that the community could see the processes of manufacture, the products made, the safety program, employment procedure, recreation activities, labor-management relations, etc.

Each page covered one subject, with brief captions appearing under each picture. The layout of pictures, with a brief panel of about 100 words near the center, told the story. The whole series proved enormously popular, and gave information to the community they did not know before, though the company had been in the city for eighty years. It also increased the pride of the employees in their company.

Many plants are developing their own programs. There is a keen awareness of the problem, and from present indications there is reason to believe in a very few years public relations advertising will be accepted as a necessary part of every well-balanced industrial program.

## *Here's Where the Brass Family Lives*

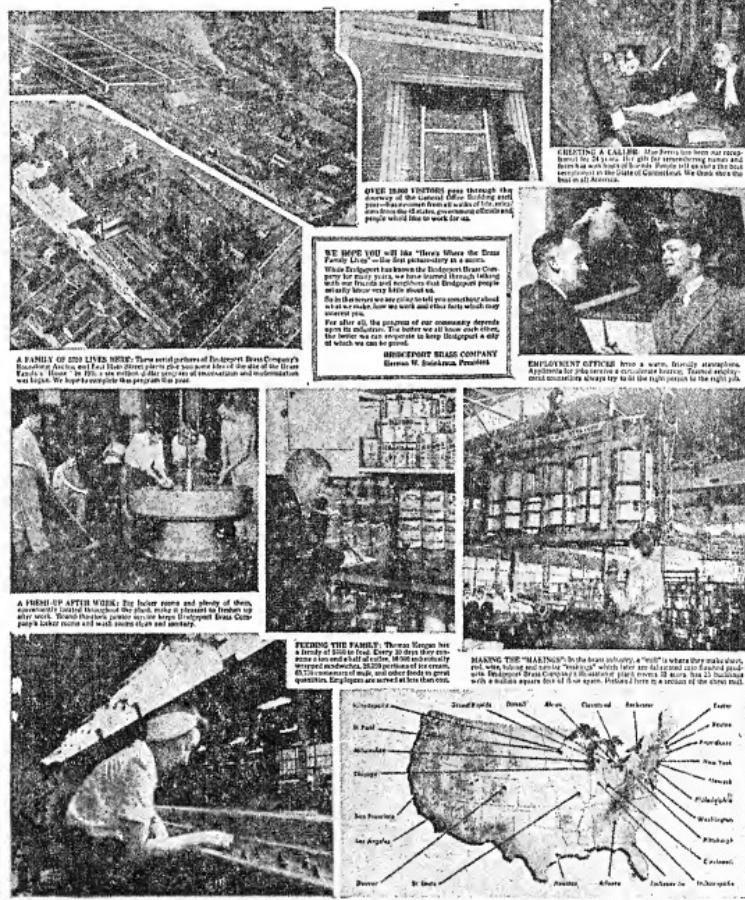


FIGURE 23.—COMMUNITY OF INTEREST IS THE SUCCESSFUL PUBLIC RELATIONS APPROACH OF THE BRIDGEPORT BRASS COMPANY IN ITS SERIES OF LOCAL NEWSPAPER ADVERTISEMENTS.

## Editors' Note

Business is beginning to discover that it is impossible to define accurately or catalog specifically public relations advertising. The thread of it today runs through all advertising and promotion. This truth is becoming so evident that there is a definite trend towards putting one executive in direct charge of all advertising and promotion and of all public relations including industrial relations. Among the many examples are American Viscose Company which recently combined the functions of public relations and advertising under the direction of Charles W. Rice, formerly advertising director and now public relations director. Guy Berghoff is now public relations director of Pittsburgh Plate Glass Company, in charge of all public contacts including advertising.

If categories were practical we might conclude that there are three kinds of advertising: that directed exclusively to the sale of products and services; that which points exclusively to the creation of public attitudes; and a very broad group which undertakes both functions.

### Creating Public Attitudes Through Advertising

Since advertising has been used traditionally as a sales tool, no emphasis on this technique is required. Perhaps the experience of the Illinois Central Railroad will best demonstrate the efficacy of straight public relations advertising continued over a long period of years. For about thirty years this railroad has carried institutional advertising regularly in every newspaper in each town touched by the line. And for at least twenty years surveys have shown that the Illinois Central stood as high as or higher than any other railroad in the United States in community understanding and respect.

One of the most effective and dramatic manifestations of this new trend is the experiment of the manufacturers in the vicinity of Stamford and Greenwich, Connecticut. Every week local newspapers carry full-page advertisements in which the top executives of local industrial corporations discuss economic and social problems vital to the community. They speak out of their own experience under their own signature in copy arranged in "inquiring reporter" style. Under those circumstances no employee or neighbor can doubt the authenticity of the message and no advertising format is more likely to pique curiosity and interest.

**THE STAMFORD-GREENWICH  
INQUIRING REPORTER**

One of a series of news surveys on the aims and achievements, the problems and policies of industry here in our own community.

**FOREWORD:** Replies of representative local manufacturers are published below each question on an informal rotogravure basis. Copies of all company replies to each question, including those not published below, are available on request. Simply write, phone or drop in at the Council Office.

**Question:** Surveys show that the public has wrong ideas about company profits. What are the facts about your company's profits?

2

**Atlas Powder Company  
(Industrial Explosives and Coated Fabrics)**

What is a fair profit? Is it reasonable for a night & weekend turn-around make on a dollar sale? Many people think it is 10¢. You will be right. What are the facts? There has not been a single year during the last ten years that manufacturing profits in the United States, based on sales, have been as high as 6½ percent—less than 6½ cents per dollar of sales. Atlas Powder Company's total profit is for 1946 was 4.7 percent. This is 3½ cents per dollar of sales. Profits of the Stamford Division were unsatisfactory. Our selling prices are high and the market would not absorb the volume of our business. Only through the reduction of our unit costs can reasonable profits be made and steady employment be assured.—J. R. Welding, General Manager.

**Plastic Manufacturers, Inc.  
(Molded Plastic Products)**

Net profits (after taxes) on sales which our company have been decreasing steadily for the past four years have averaged less than 2 percent during the period. Although accumulated consumer demand has increased, but many people believe that there would be increases in selling prices, the definite trend is a higher competitive market. It is difficult if manufactured goods are to be moved. This trend, coupled with increased costs of production due to increased labor rates, has not held up much promise in the way of corporation net profits for the immediate future.—Malcolm Farmer, Vice President.



100% of our employees are unionized.

**Pitney-Bowes, Inc.  
(Postage Meters, Mailing Machines)**

Our profits (after taxes) come for the first 9 months of our present financial year amounting to \$61,500, or 6½ cents. This was 9 cents each of the 6,057,000 letters we took. Of that 9 cents profit, 3½ cents was left in the business for future needs and about 5½ cents of it was paid in dividends to 5,200 stockholders. We invested money in expanding the business. This 9 cent rate of profit is under normal for our type of business. We hope to increase it to perhaps 10 percent or 12 per cent, which is actually less than half of what the public apparently expects companies make on profits. During these months, we paid to our stockholders \$388,220 in dividends, and we paid royalties (not including offices) \$4,560.00 wages and salaries, plus \$22,740 in employee profit sharing quarterly wage-and-salary "dividends"—W. F. Berney, Jr., Executive Vice Pres.

**Friedberg Bass-Strauss, Inc.  
(Clothing and Dry Goods Stores)**

Our business is not one which takes primary raw materials and processes these items into a finished product. Our function is to take finished materials and to convert them into clothing or dry goods for the consumer. Consequently our major cost is direct or indirect material. Our second largest expense is labor salaries. A breakdown of our sales figures for the periods covered by our most recent completed audit shows the following permanent facts. Every \$1.00 received by this company is spent in the following manner: Direct and Indirect Material Cost 54½¢, Direct

and Indirect Wages and Salaries 26½¢, All Business Expenses 9½¢, Taxes, Net Profit Before Dividends 4½¢. Total \$1.00. Any corporation that our manufacturing establishment clears from sales to \$1.00 is a highly efficient business. We are pleased that we operate a successful business enterprise on a very much lower profit basis as indicated by the figures above.—Norman M. Freyberg, Vice President.

**Yale & Towne Mfg. Co.  
(Locks, Hardware, Tools)**

Last year our entire Company made a net profit of about two and a half cents for every dollar we sold. We sold eight operating Divisions in the United States, Canada and Mexico up the Yale & Towne Mfg. Co. We made 2 and 10 percent profit on \$39,996,187 worth of locks, building tools, office equipment, industrial trucks and scales etc. Then these eight units shipped to their customers. In 1946, the eight Divisions made a net profit of \$1,630,417. Of that profit \$43,761 was re-invested in our business. The balance was distributed as a dividend to our 4,500 stockholders in the form of \$1 per share. This dividend equals a little over one cent per sales dollar. The net 6 10 percent profit is largely due to the loss of over a million dollars in the operations of our Stamford Division during 1946. This initial loss cannot be condoned without doing damage to the welfare of everybody associated with our Division and with the welfare of our community. The Stamford Division of Yale & Towne can again become profitable if we can increase the volume of products we ship from our plant to our customers. At the same time, reduce our unit costs.—William R. Hoyt, General Manager, Stamford Division.

**STAMFORD-GREENWICH  
MANUFACTURERS' COUNCIL**

417 Main Street, Dept. D, Stamford, Conn. Tel. 3-7121

Working, Full Production... Full Employment... Better Community

FIGURE 24.—EMPLOYERS IN STAMFORD-GREENWICH, CONN., AREA USE PUBLIC RELATIONS ADVERTISING TO TELL THE STORY OF THE ECONOMICS OF BUSINESS AND TO INCREASE MUTUAL UNDERSTANDING IN THE COMMUNITY.

After only a few months of operation surveys demonstrated that a wide area of economic misunderstanding in the community has been dispelled.

### Dual Purpose Advertising

Leaders in advertising and public relations have discovered a broad and relatively new function for paid time and space. Two of them express the new attitude as follows:

Howard Chase, public relations director of General Foods Corporation: "The technique of communication that can create an impulse to buy a *thing* can create an impulse to buy an idea."

Don Belding, chairman of Foote, Cone and Belding advertising agency: "Idea advertising not only receives a higher readership than product advertising and has a more beneficial effect on employee morale in the plants of the companies involved, but it even produces definite sales returns as good as or better than some straight product advertising."

The classic example of advertising being used for the dual purpose of selling goods and creating employee and community good will is the Studebaker campaign which has been running since 1938. At that time a local and national campaign, started to improve employee morale and stimulate community confidence, showed a father and son working together at a bench in the Studebaker plant. The father was teaching the youngster Studebaker craftsmanship and indoctrinating him with the Studebaker rules of integrity. The campaign created so much public attention that it was used in selling-copy when the new Champion car was introduced. It has characterized Studebaker sales promotion ever since.

The Louisiana Power & Light Company started a campaign in community newspapers. Each ad was illustrated with photographs of local employees telling how they serve the company's customers. The company discovered that no direct selling copy ever created as much new demand for service as this.

### When To Use Public Relations Advertising

Every corporation should plan consistent public relations advertising if only in its own community and with a relatively modest budget. Such advertising should be planned for long periods in advance. It would explain the character and policies of the company with a view to winning the respect and confidence of its employees and neighbors. It should be designed to serve in the fullest measure possible the purpose

of creating understanding among a wide variety of publics: employees, customers, prospects, dealers, opinion leaders, stockholders, and neighbors.

The budget should also include provision for public relations advertising for special occasions. Many corporations have successfully used this means of communication in connection with anniversaries, annual reports, announcement of new plant openings and expansion of old ones, labor controversies, cooperation with civic projects, introduction of new management, open house and suggestion system winners.

#### Who Should Produce the Ads

The question of who should prepare public relations advertising is widely debated. But this much is sure; no public relations advertising should be designed without the close cooperation and intimate attention of management itself. Management alone can determine the policies to be enunciated and the promises to be made.

On the other hand, not one management executive in a thousand is equipped to prepare final copy. This should be done in every case by a competent and experienced professional who can interpret corporate policy convincingly in terms of human interest. This might be the public relations director or advertising manager. But there is a growing tendency to call in specialists in the various areas of operation. These might be public relations consultants, some of whom specialize in placing public relations advertising, or advertising agencies with public relations departments. There are also a number of specialists in community and public opinion advertising.

Whoever writes the copy and lays out the ad must be a man who knows the fundamentals of public relations as well as advertising. The value of this knowledge and experience is becoming more widely recognized in advertising circles every day. *Printers' Ink* recently took an opinion poll of all the delegates to an international meeting of sales and advertising clubs. One of the questions asked was "How important are public relations knowledge and experience to an advertising manager?" About 86 percent said, very important; 12 percent said, helpful; and only 2 percent said, not necessary.

#### Getting the Message Across Quickly

Aside from the more obvious uses of public relations advertising, several special reasons emphasize the importance of the medium. One of these is *timing*. Paid advertising not only permits you to say precisely what you want to say to the specific audience you want to reach,

but it also gives opportunity to reach those audiences before adverse public attitudes and erroneous assumptions have developed. General Electric is among the many who have already discovered this truth. Its public relations department is so organized that within twenty-four hours after labor legislation has been passed, important government rulings have been made, or industrial relations crises have developed, GE can appear in local newspapers and on local radio stations with an exact exposition of company attitude and policy.

### A Valuable Communication Tool

The effectiveness of public relations advertising is no longer subject to debate. A long list of corporations, both large and small, have measured public reaction to it. Libbey-Owens-Ford Glass Company has conducted a series of surveys to measure public receptiveness to its public relations advertising. It found that more than 74 percent of the public appealed to, felt that the company's public advertising expenditure was reasonable and recommended the practice to other companies. About 22 percent were indifferent, and only 4 percent considered such advertising wasteful.

Union Oil of California is widely recognized as a leader in the public relations field and particularly in the use of advertising in its public appeals. A recent survey showed that 62 percent of the men and 49 percent of the women readers of newspapers containing the company's ads remembered the advertising and its message. It is particularly significant that 58 percent of these readers were in the lower income group.

### Merchandizing the Ad

The publicity and promotion potentialities of public relations advertising are widely neglected. The right kind of copy would be genuinely interesting to every worker on the payroll, yet it is seldom brought to his attention. A growing number of companies are following the precedent of Standard Oil of New Jersey and posting proofs of their public relations advertising on plant bulletin boards *before* they appear in publications. Here timing is particularly important. Showing the employee the proof *before* it appears in publications gives him the feeling of being let in on company policy before it is exposed to the public.

Many corporations reproduce the best of their institutional advertising in their plant publications. Others include proofs in letters to employees and in payroll envelopes.

Where companies have regular meetings of supervisors or employee

groups it has been found effective to call attention to and discuss the company's public relations advertising.

### Reaching Other Publics

Telling the story of your public relations advertising to your stockholders, dealers, distributors, suppliers, and even customers has been proved a profitable operation. Many companies send selected proofs or the best ad of the month to these groups.

Intra-industry relations can be improved by effective promotion of public relations advertising. A case in point is the Bankers Trust Company in New York. One of its ads told dramatically the story of the service of banks to business. Proofs were sent to every bank in the country. Hundreds of them picked up the ad or adapted it to their own use with permission and ran it locally. Many gave credit to Bankers Trust in their own copy.

Many companies maintain a mailing list of opinion leaders who receive proofs of their public relations advertising regularly. The same material is frequently sent to schools and even to labor leaders.

Southern Railway System has worked out a particularly effective and comprehensive method for merchandizing its public relations advertising. Proofs are sent once a month to the leading newspapers of the country and to every newspaper and radio station in its territory. They also go to schools of business and universities. When collected into booklet form these ads are distributed to all schools, libraries, important civic groups and opinion leaders in the areas served by the System.

### Help for the Public Relations Advertiser

More collected experience and professional guidance on this subject is available today than ever before. A number of important trade associations are spending substantial sums of money and have field organizations available to be of direct assistance to the potential advertiser. These include:

Bureau of Advertising, American Newspaper Publishers Association,  
370 Lexington Ave., New York, N. Y.

Association of National Advertisers, 285 Madison Ave., New York,  
N. Y.

Advertising Federation of America, 330 West 42nd St., New York,  
N. Y.

American Association of Advertising Agencies, 420 Lexington Ave.,  
New York, N. Y.

Advertising Council, 11 West 42nd St., New York, N. Y.

—G. G. and D. G.

# THE SUGGESTION SYSTEM

BY F. A. DENZ  
Administrator, Suggestion System,  
Remington Rand Inc.

■XXVII

INDUSTRY HAS, OF RECENT years, instituted numerous educational programs intended to enlist employee interest; to sell the company, its management, and its product to the rank and file in order to create a much needed "We" attitude.

One of the more effective approaches to our present-day industrial public relations is the application of the employee suggestion system principle—a systematic means of getting and using employees' ideas for the benefit of the business. The reason for the success of this medium is that it has afforded to management a two-way channel of communication with its employees. In addition, the suggestion box has provided a steady flow of millions of workers' ideas, many of which have been profitably employed by industry. These and the many other benefits which we will attempt to discuss later in this chapter have put the employee suggestion system on a permanent basis.

## History and Development of the System

The principle of encouraging workers to contribute worthwhile

ideas to management was, according to the record, tried as early as the year 1880. At that time, the William Denny Shipbuilding Company of Dumbarton, Scotland, inaugurated a formal suggestion box program. After a few years of operation, Mr. Denny, the head of this concern, published the following statement about his plan:

"... that in that time as many as 196 awards had been given for inventions which were thought useful to adopt, that three times that number had been submitted for consideration, and that besides being beneficial in causing so many useful improvements to be made, the scheme has the effect of making the workmen of all departments into active thinking and planning beings instead of mere flesh and blood machines."

A significant fact in connection with this statement is the social consciousness indicated on the part of this company toward its workers.

The suggestion system movement did not get under way in the United States until 1894, when the records indicate that the National Cash Register Company inaugurated a suggestion plan which is still in operation today. That was more than half a century ago. The intervening years with their business booms, their panics and depressions, have seen a steady growth on the part of the suggestion plan idea in industry.

### Progress in Modern Times

In 1898, the Eastman Kodak Company announced its plan. About the same time General Electric, Westinghouse and other business firms in this country, started to operate plans. Just a little later the movement took on added momentum in Europe when the suggestion principle was adopted by the London Traction Combine, the Royal Austro-Hungarian Railroad System and the Swiss Railways.

In 1912 the United States Congress authorized periodic offers of special cash awards to its civilian employees of the Ordnance Department. These awards were designated to be paid for "the best suggestions that will clearly effect material economy in production or increase efficiency or enhance the quality of the production in comparison with its cost."

While the employee suggestion system movement has progressed by leaps and bounds during the past few years, we do know that from the time of its earliest inception until just before 1940, the movement frequently met with reverses. The great expansion of the suggestion system and its widespread adoption as a management tool developed in wartime under the critical need of greater volume and efficiency in

production. It proved itself so well that it has continued to expand ever since.

There is no great secret to the successful operation of an employee suggestion program. It merely requires careful planning.

### STEPS IN ESTABLISHING A SUGGESTION SYSTEM

#### 1. *Make sure of complete cooperation on the part of management.*

There must be a sincere desire to encourage employees to submit their ideas and to assure them that they will receive adequate reward for usable ideas and suggestions which will benefit the company. It should be established at the start that the system is a basic part of company planning and thinking and that management is depending directly on the understanding and cooperation of employees.

#### 2. *Appoint a suggestion plan administrator who thoroughly understands the philosophy of suggestion systems and has the courage of his convictions plus the confidence of management.*

He must operate at the executive level and be in constant contact with management. The technique of the suggestion system is relatively new and executives experienced in its operation are few. Hire the widest range of experience you can find from the very beginning and pay him a salary commensurate with the importance of this job.

#### 3. *Outline the plan in writing.* All the rules and policies of procedure should be drafted and given management approval. Then they should be assembled in form suitable for distribution to supervisors and employees after the formal announcement of the plan. These rules should be painstakingly detailed and exact. Make sure no basic question of procedure is left unanswered when suggestions begin to come in. Procedure will vary, of course, among companies but questions which must be answered in the first announcement will include:

- a. Who is eligible to participate?
- b. What kind of suggestions are desired?
- c. How much will be paid for suggestions and on what basis will the decision be made?
- d. In what form must suggestions be submitted and to whom and how?
- e. When and how does the employee learn what disposition is made of his suggestion?

- f. Who will judge the merit of suggestions and what if any appeal is there from this decision?
  - g. How will suggestions be identified? Are anonymous ones acceptable?
  - h. When and how will awards be made?
4. *Launch the program as an important company activity.* The formality and expense of these ceremonies will depend on the size of the operation and the extent to which intensive employee indoctrination seems necessary to assure success.
- a. *The first and most important step here is to make certain of the complete cooperation of the supervisory staff.* They will be in active charge of the work. They must be given a frank and complete story of the plan before it is put into operation and if possible before any news of it reaches the working force. Supervisors must be given reasons why the plan will help them in dealing with em-



FIGURE 25.—EMPLOYEES OF FIRESTONE TIRE & RUBBER COMPANY DEPOSITING SUGGESTIONS IN ATTRACTIVE, CONVENIENTLY LOCATED SUGGESTION BOX

- ployees. They must be convinced that hearty acceptance of the plan by the people who work for them will aid them in their own work. This can best be done in relatively small group meetings where the story is told by a top executive.
- b. *The announcement of the plan to the employees* should be a memorable occasion. Everything that is said and done should carry a personal note and the whole plan must be interpreted in terms of the self-interest of the worker. The employee's first awareness of the plan should be accompanied by an official booklet describing it in detail. At that point begins an intensive publicity campaign in the plant and in the community during which every available tool is used. These will include: plant bulletins, posters, stories in company publications and local papers, direct mail announcements and if practicable, motion pictures or slide films.
5. *Set up an award committee.* Patterns for this procedure vary widely. Sometimes the committee is composed exclusively of management representatives, sometimes solely of employees and occasionally a mixture of the two. In any event here lies one of the most critical decisions to be made by management. The personnel of this committee must be such that its fairness and integrity will never be questioned at any level of the organization. If the company is large enough, a full-time secretary should serve the committee. In any event the man in active charge of the award committee must have ample time and opportunity to give personal and careful attention to the job.
6. *Maintain interest in the system.* Neglect of this responsibility is the commonest cause of the failure of suggestion systems. Yet no aspect of the operating structure of a business is more susceptible to continuous and interesting exploitation. Factors inherent in the plan itself are most important in this connection. These are important considerations:
- Suggestions must be acknowledged* and appraised promptly.
  - Rejections* must be handled with patience and courtesy and reasons given must be logical and convincing.
  - All the equipment* used must be fresh and attractive. This applies to suggestion boxes, bulletin displays, forms, etc.

- d. *Suggestions must be collected promptly and on schedule to emphasize importance.*
- e. *Be fair, prompt and generous in the payment of awards.*  
The employee must feel that he is likely to get the benefit of any doubts.
- f. *Presentation of awards* should be as ceremonious and distinctive as possible.
- g. *Continuous publicity* and promotion must be given to the program in the plant and in the community.

#### Case Examples of Successful Programs

One of the nation's most successful programs is that employed by the General Electric Company. It has always been the policy of this company to encourage its employees to advance any constructive idea they might have concerning their work. The plan in effect in the different plants of GE is fairly well standardized, although there are some variations to take care of local conditions. The outline which follows covers the general principles upon which the GE system as a whole is based, but special reference is made to the practices at the Schenectady works since it is the largest company unit.

#### Suggestion Boxes

First, suggestion boxes are installed at convenient points throughout the factory and offices. The number of boxes provided approximates one for every 200 employees in the large plants and one for every 100 employees in small plants. A standard suggestion box is used for all plants.

A great variety of boxes were tried out. The one found most satisfactory is a box mounted on a back board which provides racks for the display of advertising cards, envelopes already addressed to the suggestion committee, cards requesting a personal interview (for use by suggesters who cannot express themselves well in writing) and another for a pad of blanks upon which suggestions may be written.

#### Advertising and Promotion

Posters calling employee attention to the plan and directing employee thinking into "suggestion channels" are placed regularly on suggestion boxes which provide space for posters. This poster advertising has been found so valuable in stimulating employee interest that GE has arranged a standardized service to provide these to all plants with a frequent

change of copy. In these posters or cards, an endeavor is made to avoid sermonizing and dry reading. To provide conspicuous cards which will agreeably contrast with the general run of shop notices, colored cards are used with catchy illustrations and type treatment along the same lines as street car cards.

Interest in the suggestion system is also maintained by publishing suggestion news in the several plant papers and by talks on this subject before employee groups.

Advertising pressure is kept up constantly and the problem tackled from every possible angle in order to break down prejudice, overcome supervisory opposition, and most of all, dispel inertia and indifference. The object of advertising is not merely to encourage suggestions but to encourage *good* suggestions. The committee desires to avoid being swamped with a large number of "turn down" suggestions.

### Collections

In the Schenectady works, members of the patrol department make semi-weekly visits to the various boxes to gather the accumulated suggestions which they turn over to the suggestion committee secretary. In some of the other plants, these collections are made by a member of the committee. In no case are collections made less frequently than once a week.

### Classifications

When suggestions are received from the collector by the suggestion committee secretary, he classifies them according to his filing system. This is generally straight numerical filing in which the suggestions are consecutively numbered in the order in which they are received. Each suggestion is also stamped with the date of its receipt, is recorded by number, by name of suggester and sometimes by title of suggestion, and is then turned over to the department concerned for investigation.

### Investigating Suggestions

Each department head appoints a man who is usually a member of his own staff to investigate the suggestion. This man always makes an effort to interview the suggester in order to make certain that he understands what the employee has in mind. The report which he renders states whether or not it will be adopted. If it is possible to estimate savings, a savings figure is given. The department head then routes the suggestion back to the suggestion committee secretary who refers it to

one of his own investigators for reexamination and report to the committee. If the committee investigator finds the recommendation of the department turning down the suggestion to be adequate and fair, he disposes of the declination courteously and with great care by a personal interview with the suggester. Those ideas which are adopted are brought before the suggestion committee with a full description of all details and a recommendation as to the amount of the reward.

Upon review of the departmental reports, should further information appear necessary, the committee secretary takes the matter up with the department investigator and between them the record is then completed to where both are in accord on the findings and results of the investigation.

Whenever possible, the suggestion investigator obtains samples embodying the suggestion. Savings figures are obtained from the cost department since the awards granted for worthwhile suggestions are always based upon estimated savings.

#### Types of Suggestions

Many types of suggestions are received representing improvements in design, convenience, safeguards, and improvements in manufacturing methods. Some of those suggestions effect a determinable saving by reducing the cost of manufactured parts, others by improving shop equipment for producing parts. Still other suggestions, such as those relating to safety appliances, conveniences of employees, improvement of products and the like, do not always permit the determination of their cash value. In such cases, the award is based upon an estimate of the importance of the suggestion.

Even where an actual saving can be determined, the award varies according to the ingenuity and effort required of the suggester. Obviously a suggester who effects a saving of several thousand dollars a year by substituting a punched part for a moulded one does not spend the effort required of the suggester who on his own time and at his own expense evolves an ingenious device upon which production is small.

The granting of a suggestion award in the GE plan is not necessarily based upon the originality of the idea. It does not have to be an invention or a startling innovation. The fact that not more than five out of the seven thousand suggestions received at Schenectady in one year were patentable will serve to illustrate this point. An awardable suggestion may even be an improvement or a change which has been previously suggested but one which due to the negligence on the part of supervision, has not been applied.

Impractical suggestions are declined by the suggestion committee secretary without being referred to the department concerned.

Salaried executives, engineers, and draftsmen are excluded from eligibility to cash awards. Their suggestions however are received and acted upon and then called to the attention of the heads of their department or their supervisors.

### Organization of the Suggestion Committee

Only those suggestions which result in action (adoptions) are turned over to the suggestion committee. This committee generally consists of a permanent secretary (who in larger plants devotes his entire time to this work), a permanent chairman, or a chairmanship rotated among the committee members, and four or more additional members generally taken from the manufacturing organization. The committee membership is generally made up of manufacturing executives such as the electrical and mechanical superintendents, etc., together with any special investigators who devote their entire time to the suggestion work. In some of the GE works where employee's counsel are used, employees are permitted to select representatives to act with the suggestion committees in passing upon suggestions.

### Awards Procedure

Considerable importance is attached to the speed with which the suggestions are handled. Experience here indicates that best results follow when a suggestion can be completely disposed of within one month from date of submission. To accomplish this, committees meet once each week and on a specified day.

In most cases, suggesters are pleased with the award and with the recognition they receive for their suggestions. In a few cases, employee dissatisfaction has been experienced. In the latter, employees are assured of a reinvestigation. Following such reinvestigations, employees concerned are again interviewed and if an additional reward is warranted, it is granted by the committee. If not, suggesters are told in detail why the idea does not merit an award greater than was originally granted.

Special care is used in the construction of letters to employees advising them of declinations. In each case, an endeavor is made to keep the suggester satisfied.

### Suggestions from Office Employees

Several years ago GE established a separate suggestion system for its office employees. It originally differed from the factory suggestion sys-

tem in that no monetary awards were made, but when an excellent suggestion was adopted the matter was called to the attention of the head of the employees' department. In 1942, this plan was revised to provide the awarding of war bonds and stamps for adopted suggestions. Since the war payments are made in cash.

Suggestions received from office employees are acknowledged immediately and then copied on a regular form, eliminating the suggester's name. This copy of the suggestion is then referred to interested individuals for comment. The suggestion and comments applying thereto are then reviewed at regular bi-weekly meetings of the committee. The committee then sends the suggester's supervisor a letter enclosing the award for personal presentation. In case of a declination the suggester is notified directly with complete explanation of why his suggestion was found impractical. Occasionally an office employee might wish to make a suggestion to the committee having to do with management policies, department routine, etc. which he might feel would be embarrassing to him if he signed his name. The committee accepts these anonymous suggestions from office employees, but comparatively few are received.

#### Progress at GE

According to a report recently released by E. I. Hibbard, secretary of the GE suggestions committee at Schenectady, N. Y., employees have submitted, during the past eight years, an average of 40,500 suggestions per year. Of this total, 14,500 or 36 percent were adopted and put to use with employees receiving cash rewards of \$147,000 per annum. Since the company-wide reorganization of the GE suggestion plan late in 1922, nearly two million dollars in cash rewards have been paid to its employees for suggestions.

Significant is the story of one of GE's many-time suggestion-award-winning employees named "Sophie", a widow and the mother of four small children. Sophie had difficulty outlining on paper the intricate details of her ideas, but since the GE plan encourages supervisors to render all possible assistance to employees in crystallizing their thought, she would often go to her foreman for help with her submissions. Over a period of about ten years, Sophie's suggestions brought her thousands of dollars in cash awards. She used the money to build a home and give her children an education.

#### Illinois Central System's Plan

Another interesting case study is the employee suggestion system in force at the Illinois Central System. This program is administered by a

general committee at the railroad's Chicago headquarters, and, by fourteen local committees—one on each operating division and terminal and in each major shop. Every committee is composed of equal representation by management and labor. The general committee is the final authority on awards.

To aid in ready identification and filing, each committee has a different-colored suggestion blank. Upon receipt, suggestions are mimeographed into dockets. They are distributed to the committee members, local chairmen of the various labor organizations, and local supervisors. Each suggestion is investigated thoroughly by the officers or supervisors directly concerned. Investigation is aided by use of a questionnaire form called "Yardstick for Measuring Suggestions" and this yardstick becomes an important part of each suggestion file. If the investigation report recommends an award in which the local committee concurs, a suggestion analysis incorporating the recommendation of the local committee is completed and forwarded to the general committee for approval. After an award is approved by the general committee, the local committee is notified so that the procedure for bulletining the suggestion as a winner can be set in motion.



FIGURE 26.—CERTIFICATE AWARDED TO EMPLOYEES AT ILLINOIS CENTRAL SYSTEM FOR PRIZE-WINNING SUGGESTIONS.

Each committee issues a weekly bulletin by means of which suggestions are acknowledged, winners are notified, and the disposition of suggestions is shown. Suggesters remain anonymous until an award is claimed, and the only contact made with them is through the bulletin by means of suggestion numbers.

Awards are claimed through the secretaries of the local committees who forward claim slips to the suggestion system office at Chicago, at which time award checks are issued. The checks are forwarded to the local committees for presentation to award-winning employees during committee meetings, on the job, or at employee gatherings.

Should a suggestion be outstanding, a diamond award certificate with either a silver or gold seal, depending on the degree of merit, is also awarded the suggester in addition to the cash reward.

#### How I. C. Promotes the Plan

In the Illinois Central system it has been found that personal contact is effective in the solicitation of suggestions. Much has been accomplished through meetings with employees after working hours and other meetings during working hours. Extensive use is made of visual aids in the form of large highly colored cards and other equipment in these presentations. One highly entertaining presentation was a quiz show, which was arranged to present "Suggestions Unlimited," a technicolor motion picture illustrating the operation of the Illinois Central suggestion system. This movie, which requires about thirty minutes running time, is the most complete piece of promotional work ever developed along these lines. Originally produced as a promotion among Illinois Central employees, copies of the film have been in constant demand by companies throughout the United States as well as by various trade associations.

Following is a statistical picture of what has been accomplished by the Illinois Central Employee suggestion system during the past seven years:

	<i>Number Employees</i>	<i>Suggestions Received</i>	<i>Suggestions Accepted</i>	<i>Percent Accepted</i>	<i>Awards</i>
					<i>Total</i>
1st Year . . .	30,700 . . .	16,092 . . .	1,147 . . .	7.1 . . .	\$10,565.00
2nd Year . . .	31,600 . . .	18,014 . . .	2,123 . . .	11.8 . . .	21,128.80
3d Year . . .	35,100 . . .	18,820 . . .	2,445 . . .	13.0 . . .	27,460.00
4th Year . . .	41,700 . . .	21,545 . . .	3,166 . . .	14.7 . . .	35,120.00
5th Year . . .	42,200 . . .	24,578 . . .	4,620 . . .	18.8 . . .	49,840.00
6th Year . . .	42,500 . . .	29,039 . . .	6,276 . . .	21.6 . . .	74,000.00
7th Year . . .	40,000 . . .	45,474 . . .	9,177 . . .	20.2 . . .	122,730.00

### Remington Rand's System

The Remington Rand employee suggestion plan illustrates what can be accomplished through the use of modern methods in the idea program in industry. A new streamlined program provides generous cash rewards to eligible employees for their worthwhile ideas, speedy consideration of all ideas submitted, plus a broad promotional program. Periodical evening dinner meetings are held with supervisors during which the suggestion plan, its purpose as well as operating policies, are thoroughly explained because the supervisor by his close proximity to employees is in best position to encourage employee participation in the plan.

During the first year of the new plan, 965 employee suggestions were submitted. The second year's operation brought 5,421 ideas from the approximately 23,558 employees of the company—about one suggestion for every four Remington Randers.

Experience with the new program brings out the fact that Remington Rand employees are production minded. The greatest number of suggestions adopted were designed to improve production. The second largest number were safety ideas. Other favorites in numerical order were working conditions, then paper work, and of course miscellaneous ideas of all sorts and types. For the suggestioneers, the plan was profitable. Monetary awards for the second year amounted to \$26,135.35 as against \$3,551.75 for the first year.

### Johnson & Johnson's Plan

Another illustration of success with the suggestion system is the experience of Johnson & Johnson who recently authorized the largest sum of money ever paid for an employee suggestion—\$10,441.91. This sum was awarded to Harry F. Kenney and the survivors of the late Milton L. Combs, for their joint suggestion. Kenney and Combs submitted an idea to the effect that a quarter-inch turnover be used on gauze pads. Along with the suggestion, the men outlined plans for a folding device which would accomplish the work. As a result, a saving of half an inch on each unfolded gauze pad resulted. The monetary award for the suggestions at the company is based upon savings resulting from new ideas. The Kenney-Combs plan brought the greatest single saving since the Johnson & Johnson idea award plan was revived in 1938.

### Abbott Laboratories' System

Abbott Laboratories at North Chicago, Illinois, manufacturers of

pharmaceutical products, was founded by Dr. W. C. Abbott, a practicing physician in the city of Chicago in 1888. He preached the gospel that the growth of any business depends on ideas. In carrying out this philosophy he established, some twenty-five years ago, the month of April as "Suggestion Contest Month" in which all employees were asked to submit ideas for the improvement of the business. In 1936, a suggestion committee was established to solicit employee suggestions throughout the year.

The Abbott suggestion committee is composed of thirteen members plus a full time secretary, all of whom are management representatives. The Abbott program solicits suggestions from every employee. Cash prizes are awarded to those whose suggestions are adopted, provided that the suggestion is not considered a part of the employee's normal duties. Officers and directors of the company, members of the suggestion committee, department managers, and branch managers are not eligible to receive prizes.

#### N.A.S.S. Clearing House

The suggestion system became so vital a part of management during the war, retained its effectiveness so markedly in the reconversion period, and was adopted by so many corporations that a clearing house of information and guidance became inevitable. In June of 1942, there was formed the National Association of Suggestion Systems (122 So. Michigan Ave., Chicago 3, Ill.), an organization pledged to the fostering of the movement in industry. The association provides its members with results of surveys and studies and detailed reports of regional and national conferences held throughout the country each year. It also makes annual surveys in order to provide a measuring stick for successful programs. A recent N.A.S.S. statistical study showed that of the companies surveyed:

1. Most suggestion systems in industry require that suggestions be signed by the employee; 20 percent voted for completely anonymous forms, 26 percent for optional identity, and 54 percent for signed forms
2. 59 percent pay 10 percent of first year's *gross* saving as award; 41 percent pay 15 percent to 50 percent of first year's *net* saving
3. 68 percent pay a \$5 minimum award for any idea accepted; 32 percent pay minimums ranging from \$1 to \$25
4. 63 percent have no maximum award and the rest a maximum ranging from \$100 to \$2500
5. 73 percent permit supervisory participation in cash rewards

- (generally on suggestions not related to assigned responsibility); the balance do not
6. Suggestion volume in industry per 1000 workers averages about 300. Many well established programs however are reporting an employee participation of one suggestion per employee per year
  7. Percentage of adoptions to suggestions submitted is 26.3 percent
  8. Average of awards in industry is \$21.06.

### CONCLUSION

Many an employer has found that the suggestion system acts as a safety valve. Instead of griping and developing friction in the business, employees devote their energy to thinking out possible improvements. An employee's attitude toward management naturally changes when he is given clearly to understand that the front office is eager for any ideas he cares to advance or any suggestion that would help the business. In other words, men who get the suggestion habit think more constructively about their jobs and come to understand better the machines with which they work. They become more skillful workers. Also, when management in industry is looking for new ideas and suggestions it would appear logical to turn to the men who have long been doing the practical work that makes the business possible.

An employee suggestion plan is an organized means of stimulating every eligible member of that organization to submit constructive ideas. The primary purpose of a sound plan is to tap the unlimited, active and constructive thinking of the workers and to improve employee relations by developing the "We" attitude; the feeling among workers of really "belonging."

Teaching the employees to become suggestioneers trains them to think about company problems. That habit can become an invaluable asset to any organization. Sometime ago an employee, assigned to the job of drilling small holes in a plate at a certain point, asked his foreman why it was necessary to drill those holes. The foreman thought for a moment, then became flustered and stammered; "Why—simply because the blueprint says so," and walked away from the bewildered employee. The foreman, being a conscientious individual, sought the answer to this annoying question from the shop superintendent and received no enlightenment. The question went all the way up to the plant manager and finally to the vice president who after exhausting all efforts to determine the "Why" decided to see the inventor of the machine who had retired some twenty years ago. The old gentleman,

on being questioned, scratched his bald pate, pondered a moment, and then beamingly replied: "Oh that, why that hole was drilled some thirty years ago in connection with a vibration test which we later cancelled. You still drilling it?"

#### Mutual Benefits to Management and Labor

The success of the suggestion plan lies in the sincerity with which management and employees cooperate in building company-wide faith into the program. The benefits are manifold for employees and management.

Employees gain through the opportunity to express themselves individually to their management, through personal recognition, satisfaction of seeing their own ideas in use, making their own work easier and safer and the chance to earn extra money.

Management on the other hand, gains through improved employee relations, saving in man hours and materials, the reduction of waste, greater safety, an alert, thinking organization, improvement in products and customer service, development of new products, markets and sales methods, and public good will.

The suggestion principle is unlimited in its scope. It is being successfully employed in many types of installations through the country. They include department stores, manufacturing firms, banking institutions, utilities and the service industries. Today there are approximately 6,000 companies using this means of tapping the hidden wealth of American ingenuity. Most established suggestion plans report a direct monetary saving of ten times the award expenditure.

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#### Editors' Note

So many corporations had adopted suggestion systems as a stimulant to war production that there was a tendency to assume that a sharp decline would set in after peace. There was some over-all recession in the use of the technique and some rather ambitious projects were abandoned within the first twelve months after V-J Day. But from that time on the trend has been definitely upward.

Management has discovered that the suggestion system not only increases worker morale and improves the quality of product, but that it leads to better understanding and freer negotiation with employees.

The system also has impressed upon management the fact that it is a major contribution to community relations.

### Maintaining Employee Interest

Several corporations have devised fairly elaborate and systematized procedures for reviving and sustaining employee interest. General Motors sends a series of special letters to five categories of workers: (1) award winners; (2) departments where foremen have been sold on the value of the plan to themselves, their departments, their employees and the plant; (3) editors of plant papers who can promote the plan, activities, awards, et cetera, in plant papers; (4) employees who have never participated in the plan. Foremen can reveal who these workers are and encourage them to send in ideas; (5) employees whose suggestions have not been accepted. They must be told that only one out of five suggestions may win an award and they have a 1 to 5 chance to succeed on the next try.

A rather daring effort to discover employee gripes has been undertaken by a few companies. At Aldens, Inc., Chicago mail order house, a special \$100 award is offered once a year for the best answer to the question, "What I don't like about Aldens."

A special dignity is given to award winners in some plants. The Owens-Corning Fiberglass Corporation, Newark, Ohio, has organized a Century Club consisting of all employees who have been awarded \$100 or more for their suggestions. Members wear a gold pin as a mark of distinction.

### Management Sponsorship Essential

It is important that the initial announcement of the suggestion system should come directly from management and be as thoroughly personalized as possible. In most cases a letter from the president or the chairman of the board goes to the employee with the first booklet announcing the system.

Frank E. Mullen, former executive vice president and general manager of the National Broadcasting System, made good use of facilities that are peculiar to a broadcasting company to get the company suggestion system off to a good start. Mr. Mullen sent notices to every employee fixing a time for them to gather around the loud speakers that are found in practically every department. Knowing some important policy announcement was coming, every employee was on the job. Mr. Mullen then explained the purpose of the mysterious green boxes that had appeared throughout the organization that morning. In a

personalized message he explained that the management would be looking for employee suggestions to be deposited in the green boxes.

### Publicity Possibilities

Care must always be taken that the suggestion system does not seem to degenerate into a publicity stunt. On the other hand the system can be the basis of a substantial volume of helpful publicity. Aside from the usual announcements of awards in plant publications, bulletin boards and pay envelopes, the local press is always eager to print news and pictures of award ceremonies. These ceremonies should be as informal as possible but always dignified. Occasionally an award is so large or the suggestion so important to the corporation or to an industry that national publicity naturally follows an announcement. In that case top management should participate in the ceremonies.

Few devices available to management contribute more to putting the spirit of democracy into industry than the mutual and cooperative interests developed by a soundly planned and intelligently operated suggestion system.

—G. G. and D. G.

## OPEN HOUSE

BY J. CARLISLE MACDONALD  
Assistant to Chairman,  
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■XXVIII

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ERHAPS ONE OF THE MOST important factors in a well-rounded public relations program is sound community relations in the plant town. Now more than ever, the ability of industry to operate under a system of traditional American economic precepts depends on broad public understanding of its affairs and its problems at the community level.

The position of any business in its own community, the measure of good will which it will have, is theoretically in direct relationship to the conduct of its affairs in the mutual interests of its employees, the general public and the stockholders or owners. Actually, it should be possible to evaluate the community relations, or public relations of a business enterprise, large or small, in the light of certain human attributes—integrity, unselfishness, friendliness, frankness and sincerity. The business whose policies and practices are established in consideration of these qualities should operate in an environment of good community relations, whereas, the neglect of any one of these considerations may contribute to an unhealthy business climate.

This is not always true, however. While it is an axiom of good public relations that first emphasis is properly placed upon the things we do, present day competition for favorable public opinion demands that we tell our story as often, as fully and by as many means as possible. No matter how much a business may warrant favorable public opinion, it is difficult if not impossible to achieve unless it gives freely all of the facts upon which such opinion may be based.

### Potent Tool of Community Relations

One of the most effective means of establishing good relations in the plant community is the open house, or plant-visiting day. Open house is an event in which the general public is invited to visit a company's plant to see for itself what the company does, where it does it, how it does it. It is at the same time a demonstration by management of the qualities of friendliness and frankness.

The industrial open house event is by no means a new wrinkle in community relations. It is probably as old as industry itself, and has always been effective when properly done. During the last few years, however, largely due to the development of public relations as a carefully studied responsibility of management, many new techniques have been conceived which have increased its effectiveness considerably. This discussion of how to plan an open house will concern itself with some of the most successful of these techniques.

For the purposes of this discussion, I refer to any facility, mill, factory or other establishment as the "plant," and to specific titles of officials usually identified with such plants. It should be borne in mind that the term plant and the titles of any personnel herein referred to can be adapted to the individual case. For instance, Radio City, which is continually open to the public, would, for the purposes of this article, be a plant; its manager is the counterpart of the plant superintendent, and the personnel director compares to the industrial relations official.

### REASONS FOR OPEN HOUSE

There are any number of reasons, both general and specific, why it is good public relations and good business for a company to open its plants to the public at regular intervals. A broad but important consideration is the neighborliness of the gesture, an indication that management is perfectly willing to satisfy the natural curiosity of the townspeople as to what actually goes on within the plant gates. In any industrial community thousands of persons pass manufacturing plants

every day, sometimes wondering what goes on inside, but are seldom given an opportunity to see for themselves. It is one thing to know that such and such a plant of Blank Company on Washington Avenue makes television receivers, but quite another to see them produced. The company which makes this opportunity available to the public in its plant town will have taken a long step toward good community relations.

More specifically, the company which makes this gesture to civic, business and other leaders of the community advances the cause of mutual understanding at its most productive level. Such plant visitations lead to reciprocation in which there is often a free exchange of ideas that are of help to individual companies and of benefit to the community.

Many companies have found that open house is not only a means of cementing sound community relations, but that it has a decidedly good effect upon employee morale. Among the people of a community who are most anxious to visit its manufacturing plants are the families of



FIGURE 27.—VISITORS AT OPEN HOUSE OF CARNEGIE-ILLINOIS STEEL CORPORATION AT JOHNSTOWN, PA., PLANT, BEING SHOWN FIRST-AID FACILITIES FOR PROTECTION OF EMPLOYEES.

employees. It is generally true that, while they have an idea about what their breadwinners do, it has never been explained quite to their satisfaction. It has been found that employees take considerable pride in being able to actually show their families their part in the company's production. No matter what his job is, every employee is an important part of the organization on open house day.

#### Develops Public Attitudes Based on Fact

Open house is an effective way to dispel widespread misconceptions about a company's operations, or its products. Similarly, it is a means by which management can clearly demonstrate that working conditions in its plants are good, that adequate precautions are taken for the safety of employees. For instance, visits to rest or recreation facilities point up the company's sincere interest in the employees' welfare, just as a visit to the plant first-aid room also serves to place emphasis upon the attitude of management toward its workers.

Visits by organized classes from the schools serve several purposes. They create interest among potential future employees, stimulate studies and discussions in the schools about local industry. They not only broaden the base of present community relations, but provide a good foundation for the future.

Open house is good sales psychology, particularly where a plant produces a consumer product for distribution in the local area. By this means, potential customers are able to see for themselves how quality and value are built into a product. Food companies, for example, have found an important selling advantage in the demonstration of sanitary conditions under which their products are prepared and packaged. Conversely, customers are often able to find in open house the answers to questions which have bothered them, why the company could not do this or that thing which at first seemed reasonable and advantageous.

These are some of the usual reasons for opening manufacturing plants to the public. There are more, of course, including some which would apply only in individual cases, such as installation of new production systems, or completion of a new plant or improvement program. Whatever the reason, this good neighbor gesture seldom fails substantially to improve community relations if the open house has been properly planned and conducted.

#### ASSIGNING MANAGEMENT RESPONSIBILITY

An operating man in one of our large subsidiary companies once said to me that open house is a simple thing to arrange; all that is needed is a

carload of brooms and a couple of barrels of elbow grease. Unfortunately, it isn't as simple as that. The successful open house requires, in most cases, weeks of careful planning by both top management and the operating officials of a manufacturing plant. The first step toward activation of a program tentatively decided upon by management should be a meeting or a series of conferences between the proper representatives of top management, including the management official in charge of public relations, and the various branches of plant supervision, the general superintendent, general foreman, industrial relations representative, safety supervisor, maintenance manager and, in some cases, the leading shop steward of the union representing employees.

Management should at the outset give to its production representatives a clear understanding of the purpose of its proposal to open its doors to the public. The various advantages which will accrue to the business from the open house event should be adequately defined so that there will be a maximum of cooperation and initiative forthcoming from those who will assist in laying the plans. Only when this complete understanding has been achieved and cooperation assured can the definite responsibilities of the various members of supervisory personnel be established.

There are a number of important problems for each member of the above group to consider in the preliminary preparations for open house. Here are some of them:

#### Plant Superintendent

Upon this official falls the over-all responsibility for having the plant in condition to show to the public. First of all, he is the one who should be best qualified to set the date of the event on the basis of the time which will be required to complete preparations and the consideration of what production activities may be expected to be going on at the time. He will want to consider the date from the standpoint of inventories, full equipment utilization, possible labor unrest, shipments, effects of possible interruptions of normal production flow and other factors. So far as possible, it is most advantageous to plan the open house event in a manner which will cause a minimum of interruption to production, but, at the same time, will permit the public to see and clearly understand all of the most important operations of the plant. In this connection, the general superintendent should also direct the route to be established through the departments which will give visitors the best possible view of the complete operation.

It is sometimes felt by industrial management that the open house

event is undesirable because it must necessarily result in production loss. There are many cases in which part of a day's production may determine whether a company shows a profit for the month, or for some other accounting period. Many companies which have had wide open house experience, however, have proved to the contrary that the event frequently results in a stepping up of production, particularly in the period immediately following the visit when employee morale may be expected to be considerably improved.

#### Safety Supervisor

It should be the responsibility of the safety supervisor to advise the planning group of the route through the plant which may be followed by large groups of visitors with the absolute maximum of personal safety, and to assure special precautions by production personnel during the hours when the plant is open. Depending upon the type of operation, precautions should be taken to see that visitors are not required to pass too closely to dangerous machinery, to cross paths of active material flow, to walk beneath overhead carriers or cranes, or otherwise be placed in danger of possible injury, however inadvertent. In this respect, it is often necessary for the plant superintendent and safety engineer to agree upon a special scheduling of material flow and other production factors during the hours when visitors will be in the plant. Alterations of schedules may be frequently necessary, but whenever possible, normal operations should be closely maintained for maximum benefit of the visitors.

It is good policy for the safety supervisor to be sure that safety posters and other precautionary signs are prominently displayed throughout the plant, particularly at working places. During preliminary discussions, it should be a joint responsibility of the plant superintendent and safety engineer to advise management if in their judgment operating conditions in the plant are conducive to opening it to the public. It is their responsibility to determine whether such visitations must be limited to adults, or whether school children may be invited.

#### General Foreman

In many manufacturing plants there are operations which are not readily understandable to the layman, even though he is permitted to watch them. It is important that visitors to such plants be given an understandable description of such operations if the company and the public are to receive the greatest possible benefit from the open house event. In many cases the noise of operations or the size or spread of

visiting groups are such that it is impossible for guides to explain orally what is going on. In such cases, easily readable and understandable signs, briefly describing the operations, should be posted at the working places. It should be the responsibility of the general foreman to obtain from departmental foremen descriptions of these operations and to arrange for signs to be posted. Many companies have solved the problem of explanation of operations by setting up microphones and loud-speaker systems at key points along the route of a plant tour. Qualified people explain the operations over these systems as groups of visitors reach them. Similarly, in one of the large mills in the Youngstown area, a loudspeaker system was set up on a train of flat cars equipped with bleacher seats, which took large groups of visitors on a tour of the plant, in much the same way that visitors to the World's Fair were transported about the grounds.

It becomes the responsibility of the general foreman adequately to inform departmental foremen of all phases of plans for open house as they are made, and to transmit to the planning group any suggestions from such supervisors or problems of the individual departments which will have a bearing on these plans during the preliminary stages. Similarly, he should consult with the group concerning any other factors within his normal responsibility which may affect the planning.

#### Maintenance Engineer

It is, of course, most important that the physical plant and equipment be in the best possible condition during an open house event. It is here that the reference to the carload of brooms and barrels of elbow grease should be applied. Soap and water and paint can be used to great advantage. While it is of primary importance that manufacturing plants which are open to the public be as clean as operating practices will permit, there is seldom any opposition by plant supervision to the effort which must be made to tidy up. To the contrary, most supervisors welcome such events, which frequently permit a thorough and much needed house-cleaning. In time of capacity production, manufacturing plants are often permitted to become unduly cluttered with unnecessary material, scrap or debris.

Once the route of the plant tour has been definitely established, it would be the responsibility of the maintenance department to see that it is clearly marked, preferably by painted lines on the floor and by directional signs or arrows at eye level.

There are other considerations which require the attention of the planning group. They will be discussed later. If, however, the above

phases of the problem appear to be possible of solution without an unreasonable amount of effort and expense or loss of production, the activation of the program may be begun.

### Top Management

In the detailed preparations for an open house event, there are certain responsibilities which are easily divided between management and the operating departments. *Obviously, the most successful events, from a public relations or community relations point of view, are those which are sponsored and actively engaged in by the management of the business in a sincere effort to enhance the company's position among its neighbors.* It is essential that the heads of all departments of management take an active part in extending invitations to the event and greeting visitors on the occasion. This is in accord with wide recognition that public relations is a responsibility of management at the policy level. The public relations director and his department, if such a formal activity exists within the company, are qualified to coordinate the necessary promotional activities and will handle many of the important details. But the probable success of such an affair may be seriously impaired if other top management personnel does not assume appropriate obligations.

The president of the company and heads of executive departments can do much to assure the success of open house by directing personal letters of invitation to community and business leaders, customers, educational and church leaders and others, and by being on hand on open house day to greet personally as many of these visitors as possible. In this way the fact is established that *the program is something of importance to management.*

In some cases it is helpful for the head of the business to greet each visitor personally at some point along the route of the plant tour, or to talk briefly at intervals to large groups as they enter or leave the plant. A few words spoken thus will pay large dividends in favorable public opinion of the company.

### Open House Essential to Absentee Owners

In cases of so-called "absentee ownership" of manufacturing plants, the open house event becomes, if possible, more important for such plants than to the locally owned operation. Plants owned by a company whose main office is located outside of the community are naturally somewhat handicapped in obtaining a full share of favorable public opinion. Normally, since it is that public opinion which will create the

environment in which the business will operate in the community, it is advantageous for the top management of such a company to take an interest in the company's public relations in its plant towns. Whenever possible, heads of the company should plan to be present on the occasion of an open house event. If this is impossible, the local manager or plant superintendent should assume responsibility as the representative of top management in the plant city, and should convey to the community a message from the head of the company.

### COMMUNICATION CHANNELS

Literally thousands of business and industrial concerns now have either a formal public relations department, under the direction of a top official, or experienced public relations counsel available when such services may be required. Other companies, particularly small firms, rely on the efforts of the head of the company or someone designated for such activities as come within the normal sphere of public relations. It is upon these departments or individuals that responsibility for many of the details of advance preparation for the successful open house are placed.

The following are a number of techniques which have been widely and successfully used in the promotional aspects of the open house.

#### The Press

Advance releases are written for distribution to local and nearby newspapers, covering such subjects as:

1. Formal announcement of the open house
2. Statement by the head of the company of the purpose of the event
3. Invitation from the head of the company to the general public
4. Arrangements for handling visitors
5. History of the company or the plant
6. What the visitor may expect to see
7. Feature stories covering unusual aspects of plant operations.

Photographs are taken of the plant and its most interesting operations, in all possible cases showing employees at work. These photographs are furnished to newspapers with captions (always including name and address of employee shown, and such personal information as years of service, war record, etc.), for use by editors in connection with advance releases or coverage of the event. Best possible results from photographs are secured when mats of pictures and captions are furnished to weekly

papers in surrounding communities when engraving facilities are not available.

In many cases press coverage of open house events is considerably increased, and the company's press relations definitely advanced, by an invitation to representatives of the press and radio to a preview of the event the day before the plant is open to the general public. At such previews newspapermen who will wish to write their own stories on the event are not only taken on a full and carefully explained tour of operations, but given an opportunity to interview either the head of the company or the plant superintendent, or both, and receive a full and frank response to any questions they may want to ask. It will help them if they are provided with a list showing the name and responsibility of each managing executive.

It is helpful to newspapermen if the company provides them with fact sheets containing, for their ready reference, all pertinent information about the plant and its operations.

### Radio

News releases should also go to radio stations. In addition to directing releases to the news departments of local stations, it is advantageous to buy a few "spots" on station schedules for the day preceding the open house. These spot announcements can be used to extend further invitation to the public to visit the plant, or to give information about arrangements at the plant for taking care of visitors.

It is often possible to interest the special events department of a local radio station in doing an on-the-spot broadcast during the event itself. ("This is Joe Smith, folks, who operates a punch press here at the Blank Company plant. How long have you been employed here, Joe? Is this your family? How do you do, Mrs. Smith. Well, what do you think of Joe's place of business?" etc.) In some cases it is advisable to prepare a script and secure participation by employees and others. In others, the informal man-on-the-street technique is preferable.

### Exhibits

In cooperation with the sales and operating departments, it is often effective to arrange attractive exhibits of finished products as well as knocked-down or cut-away sections of these products at various stages of their manufacture. Samples of raw materials also provide an interesting phase of such an exhibit. In cooperation with the safety department, exhibits of safety and first-aid equipment lend themselves to a visual understanding of employee welfare policies of the company.

Many companies have found it effective to show short motion pic-

tures at regular intervals during the open house in a room set aside at the plant for this purpose. These films can cover any one of a number of subjects related to the operations of the business or the end use of its products. Films which are used in employee training courses are very appropriate for this purpose, and indicate the methods and thoroughness of employee training programs.

#### Give-Aways or Souvenirs

The success of an open house depends upon the impression which is taken away by the public of what it has seen during its visit to the plant, and of the attitude of the company as it is reflected in the visual evidence of working conditions, employee welfare, methods of manufacture, processes of inspection to assure quality and perfection, packaging, etc. This impression can be substantially improved and made more lasting if each visitor is provided with some memento of his visit.

Many companies have found that one of the best mementoes of a plant visit is a small booklet which gives a concise picture of the company's activities. So far as possible, such a booklet should contain not only the pertinent facts of the operation which the visitor has just seen, together with photographs, but something of the company's history, policies, financial affairs, wage and employment information, production data and product description. Some companies find it practical to present visitors with a small, useful but inexpensive product of their plant as a souvenir. In some cases, special products, such as ashtrays, paper-weights, etc., bearing the name of the company and date of the open house, are produced or purchased especially for this purpose.

#### Other Media

Further public information about the open house may be spread by placing posters in store windows, on street cars and other points of heavy public traffic. Advertisements in local newspapers are usually used to extend an invitation to the community and to promote attendance. In addition to the formal printed invitation handed personally to employees by executives and supervisors some find it helpful to send a personal letter to the home addressed to the wife of the employee. This impresses the family with the thought that the occasion is developed for their benefit.

#### Special Inducements

It is occasionally found, particularly in instances where a company has been traditionally aloof in its relationships with the community, that an open house invitation is not accepted by the public as evidence

of a sincere welcome to one and all by the company. Many people may assume that the public open house is not in reality public but for the convenience of special groups whose interests are related to the firm's activities. In such cases it is sometimes necessary to dispel this misconception by offering special inducements for general public attendance.

There are numerous means by which the company can create additional public interest in its open house. One of these is to offer door prizes. Several companies have offered such prizes as a new automobile, radio, refrigerator, etc. Others have found it effective to hold drawings among each large group visiting the plant, giving away bonds, or some similar prize.

The addition of an entertainment feature to the open house schedule will frequently attract a large number of visitors who otherwise might not attend. At one plant, for instance, an afternoon open house was followed by a baseball game between two teams of employees, and an evening event, by a series of boxing matches between employees. This type of entertainment accomplishes two purposes: it attracts wider attention and, at the same time, reflects company cooperation in employee recreational activities.

In other cases, particularly in larger plants, visitors are given a luncheon in the company dining room during their visit. One company recently provided not only an excellent luncheon, but music for dancing during the luncheon period. Entertainment by talented employees offers another possibility.

#### School Participation

The active cooperation and participation of the public school officials can be one of the most important phases of the industrial open house. Since World War II, during which more people were engaged in industrial employment than ever before, production news has comprised a large part of the nation's newspaper diet. Now schools are paying greater attention to business subjects; use of industrial films in the public schools has increased several-fold. Requests from students, young and old, for more practical information have also increased substantially.

As a means of implementing the community relations program through school systems, it has been found very effective to work with school authorities in planning special events which tie in closely with open house. In many communities, schools are closed for all or part of the day to permit students to take advantage of the opportunity to visit plants. In others, organized classes visit in groups, sometimes being transported to the plants by school buses.

It is often possible and gratifying to public schools to have industrial films shown at the school on the day preceding an open house. Similarly, the importance of the event to students can be enhanced by the appearance of a company speaker at student assemblies where an invitation is extended and a brief talk given on the company's operations and the role it plays in the community.

Student interest in industrial open house usually runs high, but often the company can increase this interest and its objectivity through sponsorship of various types of contests. For example, an essay contest can be sponsored and worthwhile prizes offered for the best essay on some such subject as "The Role of Blank Company in Our Community." Prizes may vary in size and number within the limits of the company's budget and in proportion to the number of schools participating. As a suggestion, first prize of a college scholarship and a job on graduation would immediately create tremendous interest both in the schools and in the press. Art and model contests also suggest themselves.

No opportunity should be overlooked by the public relations function of the company to get the widest possible participation in the open house by all groups within the community. It might be suggested, for instance, that announcements of such events of community interest are frequently made from the pulpits of many churches. Obviously the attendance and success of the project depend upon the extent of public knowledge and interest.

### SPECIAL HANDLING OF EMPLOYEES

In addition to the plant superintendent's responsibilities in connection with the planning of the open house and the preparation of the plant for opening to the public, it is generally considered that industrial relations are best served when invitations to the families of employees are extended by him, as the chief operating official. It has been found that perhaps the most effective means of extending this invitation is for the superintendent to hand personally a printed announcement and invitation to each employee, a few days in advance of the event, usually as they leave the plant at the end of a shift. This arrangement should, of course, be adapted to company policy and individual circumstances. In many cases the president of the firm himself can perform this function, and in others it is more appropriate that the foreman, or immediate supervisor, handle the matter. The effectiveness of this gesture, however, lies in the fact that the employee is handed the invitation personally by a representative of management.

Depending upon the size of the plant and the nature of its operations, it is frequently advisable that special hours be set aside for the visit of employee families. In many cases the superintendent, general foreman, or foremen, are frequently mentioned by employees to their families and for this reason it is often good policy for these operating officials to greet personally the families during their visit to the plant. When special hours are set aside for family visits, it is often possible to make arrangements for them which will give them a better opportunity to see the employee in whom they are interested actually perform his work.

#### Training Guides for the Job

It is usually the function of the plant superintendent or the manager to appoint qualified guides from among plant or office personnel, and to instruct them in the procedures to be followed during the event. Such procedures should usually provide that visitors be escorted through the plant in as small groups as possible by one or more guides, particularly when the guides will undertake to orally explain operations and answer questions. It is customarily the responsibility of the plant superintendent and safety engineer to see that adequate guards are stationed along the routes to prevent "traffic jams", or visitors being exposed to possible hazards by leaving the designated route of the tour. Arrangements should also be made by the plant management for parking facilities and traffic control in the immediate plant area, problems which can be adequately handled with local police cooperation. When the plant is not easily accessible, arrangements should be made for public transportation to and from the plant at a point conveniently situated in the center of the community.

#### Special Visits

Open house need not necessarily be an event for the general public, or an "event" as such. Many plants are open continually to public inspection, a policy which accomplishes good community relations, but to a much lesser degree. In many cases circumstances may exist which make the open house inadvisable. It is often possible to open manufacturing operations to special groups when it is impossible to permit the general public to visit a plant. Special visits can accomplish general improvement in community relations, usually to a lesser degree than a public event, but still substantial. For instance, either top management or plant management can, at intervals, invite members of Rotary, Kiwanis and other service clubs, technical classes of schools and uni-

versities, members of the chamber of commerce and business associations and other specific groups, to visit the plant. This might be called open house at a specialized level, in that such invitations impress groups within the community, which, in turn, influence public opinion.

The methods of promoting and conducting the industrial open house which have been discussed here, have necessarily been treated in a general way because the size, types of operations, opportunities for public education, causes of general interest, and problems of no two cases are quite alike. They vary by industries, by companies, by plants and frequently by departments. For instance, the problems at a large plant of a basic steel-producing subsidiary of United States Steel Corporation may be entirely different from those at a small plant of a steel fabricating subsidiary of the same corporation. There is, however, one common denominator of all open house events, and that is their substantial contribution to sound community relations in the areas in which manufacturing operations and the companies' greatest employment is situated.

#### A Last Precaution

Public relations and community relations benefits which may accrue to the company with the successful open house are often so attractive to management that, in its enthusiasm, it overdoes the thing. Management should always bear in mind that all operations and all phases of production are not necessarily of interest to the casual visitor. Moreover, it is particularly important that plant tours be so arranged that they are not unduly tiring, either physically or mentally. It is quite possible to defeat the entire purpose of the event if visitors are obliged to see too much and, as a consequence, leave the plant with a feeling of fatigue, which overshadows any favorable impression they may have received. It is essential that the effective open house be planned not so much from the standpoint of management and what it wants the visitor to see, as from the standpoint of the public and what it will be most interested in seeing.

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#### Editors' Note

Westinghouse Electric Corporation has made a careful study of what plant visitors want to see and know. Public preference is divided into three broad categories:

1. A broad view of the plant, its people and its operation
2. A chance to meet the men of industry and hear their points of view
3. A chance to exchange ideas with men of industry.

This latter point is more important than most managements appreciate. Large employers are the focal point of a substantial part of community gossip. Most citizens visit a plant with preconceived notions as to what is right and wrong about it. Management executives and supervisors who guide and converse with visitors should make it a point to listen to, if not to encourage, their suggestions. This attitude towards visitors does more than anything else to impress upon the community the fact that the employer is deeply concerned with all the human aspects of his relations with employees and the public.

#### News Background for Open House

The alert executive will discover many opportunities for tying plant visits into news events that will increase community interest. Some of them might be:

1. Important anniversary in the company's history
2. Presenting new management or executive head
3. Launching a new product
4. Community anniversaries or historic events
5. Special celebrations or anniversaries of civic groups
6. Visits by distinguished or news-making groups or celebrities
7. Opening of new plant or expansion of the old one
8. Opening of plant hospital or installation of new health plans or safety devices for employees
9. Installation of new and important equipment.

#### Open House Case History

Occasionally a local open house celebration attracts wide attention and results in national publicity. A case in point was the opening of a factory in a new plant city by A. O. Smith Corporation, Milwaukee, Wisconsin. The objective was to develop community interest and attract public attention when the company built and began production in the largest (\$4,500,000) water-heater plant in the world at Kankakee, Ill.

As soon as the site was purchased a series of meetings were held with the local chamber of commerce, editors, bankers and key businessmen to include them in the community planning and to prepare for recruiting workers and establishing company policy. When construction be-

gan, the company started a series of advertising and publicity releases in the local press explaining plans and policies and reporting progress.

This promotion led up to the first formal function, a plant visit for newspapermen and trade and business paper editors. Visitors made a tour of the new plant. Three hours were spent covering a plant a quarter of a mile long. Experienced guides accompanied small groups, explaining the processes and products of each department. A pictorial guidebook and still pictures were provided with releases. This was followed by a luncheon at which principal executives of the company explained plans and answered questions.

Next day, the leading businessmen of the community took the same tour and wound up at a banquet as guests of the chamber of commerce where the mayor and business leaders welcomed the company to the community. This party was also a trade relations event. Representatives of utilities, builders, contractors, plumbers and institutional building managers were present.

### Open for Public Inspection

The public was invited to an open house the next day. Ads extending the invitation had run in the local press. About 4,000 citizens of the area attended. Visitors crowded the highway to the factory a mile outside the town, and poured through the factory in a solid stream for four hours.

They were divided into small squads with trained guides in charge of each. Copies of "We of A. O. Smith," were distributed to adults, candy bars to children. The booklet originally intended for employee indoctrination, contains a history of the company, the story of its operation, its products and its relations with employees and the community.

A. O. Smith Corporation made a conscientious effort to keep this a community party and didn't reach for outside publicity. But metropolitan papers covered the event in a big way and *Life* magazine gave it a spread. The open house activities climaxed a program planned almost a year before any public announcement was released.

### Follow-up Is Important

Many of the more successful programs provide for the registration of visitors. This adds materially to the mailing list of opinion leaders to whom public relations literature may be sent in the future. It also provides a list for a personal letter thanking the visitor for having attended the open house and taking the time to become acquainted.

The open house technique has largely been limited to big corpora-

tions with mass payrolls. This would seem to be a mistake. Small and medium-sized businesses have the same need of community understanding as the large employer. Their opportunity for intimate contact is even greater and the benefits to be derived from a well-planned program are proportionately important.

It's unfortunate too that the open house technique has been monopolized by manufacturing companies. Service industries can profit equally by developing public understanding through such visits.

### Companies Using Open House Successfully

Armstrong Cork Co.	Lancaster, Pa.
Ashland Corporation	Jewett City, Conn.
Bell Aircraft Corporation	Buffalo, N. Y.
Belle City Malleable Iron Co.	Racine, Wis.
Bendix Aviation Corporation	Elmira, N. Y.
Benjamin Electric Mfg. Co.	Des Plaines, Ill.
Carnegie-Illinois Steel Corp.	Gary, Ind.
Central Foundry, General Motors	Saginaw, Mich.
Crown-Zellerbach Corp.	Port Townsend, Wash.
Ford Motor Co.	Dearborn, Mich.
Glenn L. Martin Company	Baltimore, Md.
Curtiss-Wright Corporation	Caldwell, N. J.
Kalamazoo Vegetable Parchment Co.	Kalamazoo, Mich.
Monarch Machine Tool Co.	Sidney, O.
Northrop Aircraft, Inc.	Hawthorne, Calif.
Pitney-Bowes, Inc.	Stamford, Conn.
Radio Corporation of America	Lancaster, Pa.
Republic Aviation Corp.	Farmingdale, N. Y.
Rockbestos Products Corp.	New Haven, Conn.
The Stanley Works	New Britain, Conn.
Westinghouse Electric Corp.	East Pittsburgh, Pa.
Yale & Towne Mfg. Co.	Stamford, Conn.
Youngstown Sheet & Tube Co.	Youngstown, O.

—G. G. and D. G.

HOW TO PREPARE  
PUBLIC RELATIONS  
REPORTS AND PAMPHLETS

BY G. H. FREYERMUTH  
Public Relations Director,  
Standard Oil Company (New Jersey)

XXIX

**P**

UBLICATIONS OF MANY kinds are tools much used in the field of public relations. They range from a simple mimeographed sheet to elaborate brochures and books. They constitute one of the most important vehicles for carrying ideas to large groups of people. They can be sharply pointed to special needs.

A publication is intended to provide more than a fleeting impression. Printed material is permanent or semi-permanent. The reader can consider its message at his leisure, he can analyze and question its statements to whatever extent he desires. The impressions do not race past as in other media such as films and radio.

In many instances, a publication is examined by experts in the field of its subject. Often, too, it is inspected critically by people whose knowledge is not in any degree expert. You, the author or publisher,

cannot be there to defend or explain, so it must stand on its own feet. If it fails to do that, it may have been better that no publication at all had been issued.

### Is a Booklet the Best Medium?

Two questions should be asked before an individual or a company is committed to the printed page. They are:

1. Will the proposed publication not only contain information we think those who receive it ought to have, but also information they will want to have?
2. Is a publication the best technique for presenting this information? That is, will it, better than any other medium, reach the kind and size of audience we seek; will it speak to them more effectively; is the cost—per person reached—justified?

There are, as a glance through this volume will confirm, a great many techniques for conveying information and viewpoints. So do not select publications merely because printing is convenient and readily accessible. Before deciding on a publication, review the other communication methods.

Assuming that a publication is superior for your purpose, you need to get together the ingredients. The first thing is to understand clearly the idea which the publication is to convey. Everything else is secondary. If those who plan, write and design a pamphlet are unclear in their own minds as to its prime objective, it is highly unlikely that the casual reader will ever get it straight in his. More probably he will receive a misimpression. The basic thought, then, is the hard core of every publication around which all else must be built.

In most instances, the writing will come first, and the subject and writing treatment will govern the kind of publication which is ultimately produced. The general rules which apply to writing public relations publications are those which apply to almost any good writing. The more simple and straightforward the prose, the better. You are in competition for the reader's time with the hundreds of other demands on his attention. The easier you make it for him to follow your line of thought, the greater the likelihood of success.

### Choose Your Targets First

It is of greatest importance to define the audience which is to be addressed—the particular group you wish most to reach. This should not be taken to mean you should ever write down to any group; it is a grave mistake to underestimate the intelligence of the reader. Even

subconscious condescension is quickly perceived and resented. Only on rare occasions have I known this rule to be violated intentionally and successfully. By the same token, however, the publication should not fall into the error of talking to those few members of its audience who understand the subject thoroughly and who are in a position to criticize a minor simplification or omission.

Writers for public relations publications should be individuals of broad interests, able to talk intelligently with, and to understand, the specialists and experts in the different departments of the concern they work for. Disdain for the non-writing expert's lack of skill in expression may lead to a publication which is inaccurate. In our organization we assume that the main purpose of the writing craftsman is to help the expert in another phase of the business to express an idea for a particular audience. So far as is possible, the writer and the specialist work together as a team. The expert, whether he be an accountant, a geologist, a marketing specialist, or a petroleum chemist, wants his thoughts to appear in terms which will be understood by persons who do not have his specialized knowledge. But he is accustomed to talk about his work with people who have backgrounds approximate to his own. In addressing a group outside his professional field he may either talk in a vocabulary incomprehensible to them, or may simplify by omission to the point of being uninformative. In order to help him, the writer must develop a good, non-technical understanding of the subject himself. It is not uncommon with us for a writer to work for weeks or even months on a subject before a final draft of the text is obtained.

#### Teamwork in Writing

The growing importance of science in the lives of all of us, and in the operations of most companies, make this team-relationship between writer and specialist of especial concern. Writers, in these functions, are not like independent journalists, who either express a personal point of view or merely report, without final responsibility, what someone else has told them. He is an integral part of an effort to express an idea clearly.

A publication becomes a matter of public record. It can even find a place in courts of law on occasion. For such reasons the importance of having it absolutely correct cannot be overemphasized. One thing which helps assure this is to establish a system of clearances, so that all the departments affected have an opportunity to make corrections and suggest changes in copy. In a large and complex company such clearances become a vital part of publication routine. The Jersey company, for

example, is the parent of many operating affiliates doing business in virtually every part of the world. Its interests range from sales at the gasoline pump through all kinds of transportation, manufacturing, production of oil, geologic exploration, and scientific research and development. This wide scope of activity makes important to us the good-

<u>APPROVAL SLIP: PUBLICATIONS</u>	
SUBJECT:	
<u>INTENDED USE</u>	_____
<u>PREPARATION</u>	
Source Material	_____
	_____
	_____
Original Draft	_____
Rewrites	_____
	_____
	_____
Final Draft	_____
Copyright	_____
<u>APPROVALS</u>	<u>DATE</u>
<u>For Company or Department Involved</u>	
(Including accuracy and propriety of presentation)	_____
<u>Editorial Accuracy</u>	
(By responsible person not involved in preparation)	_____
<u>Public Relations Department</u>	_____
<u>Legal</u>	_____
<u>Patent</u>	_____
<u>Board</u>	_____

FIGURE 28.—ROUTING SHEET USED BY THE PUBLIC RELATIONS DEPARTMENT OF STANDARD OIL (N.J.) TO MAKE SURE THAT RESPONSIBLE EXECUTIVES AND DEPARTMENT HEADS APPROVE EVERY ASPECT OF PAMPHLETS AND BOOKLETS BEFORE THEY ARE SENT TO THE PRINTER.

will of about every conceivable audience in almost any language or climate of opinion. Because the company is large and energetic, it is also conspicuous, so that publications which we issue are likely to encounter detailed appraisal in many unexpected quarters. This is equally true of other large companies and, in greater or lesser degree, of every industrial concern.

### Checking for Accuracy

So as to make sure a publication is accurate in its effect on other important branches of the business than the one for which it was prepared, every one we issue must go through an established routine of clearances before it is given to the printer. There is no variation from this, and it is a system which we believe spares us many headaches. Most writers are better off for a good editor, and those in public relations work are in the same boat.

With us, no publication or press release from our group can be mimeographed or cleared to the printer without all spaces on a specially prepared clearance slip being initialed. This slip requires listing of the description and purpose of the publication, its primary audience and other audiences considered, and lists a number of key departments whose problems we believe must be considered before any publication is issued. Examples of such departments are of course the originating one, but also law, patent and accounting, as well as top management itself. Also we require a "cold" reading of all copy by a disinterested person unconnected with its preparation before final clearance. It is surprising what mental blocks, developed in the painful process of copy preparation and editing, are thus disclosed. Actually, this sounds like the kind of red tape that makes editors throw up their hands. But business publications, if they are to be authoritative, and to have the support of the whole organization, must consider and reconcile many interests. It may as well be faced as one of the problems that make the job not alone more difficult but also more interesting.

As a matter of fact, the complications can be minimized once they are recognized. For example, the full responsibility with us for all preliminary clearances rests on the head of the writing group in the public relations department. He can, on his own authority, initial for all departments except public relations itself and top management, on the mimeographed check list which must be attached to all copy. The important thing is that the check list obliges him to stop and think whether the department is in any way involved, and if, after no actual checking, there is a complaint later from a department affected, he has

to justify his omission. One or two bad times do a great deal to make the nature of the clearance responsibility clear. Final clearance is by the public relations head, who must either get clearance from top management or assume responsibility for it himself. Obviously, we do not ask a director's okay on every jot and tittle. But with any statement so formal as a publication, the public relations head must make the decision that a member of the board need *not* be consulted, and make it on paper.

Far from slowing up our work, our clearance system facilitates it, and moreover, has earned respect for our work within the company.

### TYPES OF BOOKLETS

Publications done in the name of public relations embrace printed information varying as widely in character as a weekly newspaper for plant distribution on one hand, and a scholarly document, perhaps in book form, designed to make information available to historians, economists, sociologists or other academic writers, on the other.

In producing publications for employee readership the company is talking to its own family circle. The publication must be interesting and informative. It is a channel for expressing management's point of view. Company plans and policies, changes, expansions, promotions, in fact, all the news that a large industrial enterprise generates within itself, can be relayed quickly and authoritatively to a group of people who are interested and concerned. Such publications can be good insurance against morale-wrecking rumors.

#### Employee Booklets

Other valuable publications addressed to employees are booklets which supply quick orientation for new personnel. This is a special field and the public relations writer who does not seek expert guidance may quickly find himself in difficulties.

There are many other uses of publications planned chiefly for employee information. We have had good success in supplementing the official printed descriptions of employee benefit programs with little booklets which outline, in brief and breezy style, the chief features of such plans. For example, a thrift plan, which helps employees buy annuities and accumulate savings, has long been in existence in the company. It has been brought up to date from time to time and extended to include new features. It is a good plan, but perhaps—a little like a house to which a number of additions have been made—the people who live in it feel quite at home, while a stranger, trying to find his way for the

first time, might get lost. The literature which officially defined the plan was necessarily legalistic in language, and it seemed probable that many employees did not fully realize how good the plan is.

We thought there ought to be a way to explain the idea simply. So we produced a booklet which explained, with the assistance of some engaging cartoons, the central idea of the plan and the principal benefits an employee could obtain from participation. To be sure, this did not do away with the need for other literature, more specific in its language and including all the details of all provisions. But it did make for more understanding.

### The Annual Report

A publication of great importance to almost every business concern is the annual report. Here the public relations man is working in the world of accountants, auditors, chief financial officers and, very often, with high company policy. The annual report is an important public appearance for the company, and deserves thoughtful treatment. It is important to think out clearly what you want the report to do, and to make sure that it is understandable not only by the professional economist or investment analyst but by the average stockholder. I have seen an annual report mimeographed on a single sheet of paper. It was clear and concise, and so far as I could see, did admirably what it was supposed to do. The dress was not as important as the content.

In our own case—as, I am sure, with many other industrial organizations—we begin work on the annual report several months before it goes to the printer. There are long and frequent consultations with the comptroller's, treasurer's and secretary's departments as well as with all the other departments concerned. There is a central idea, usually expressed in a statement by the president of the company. If there is illustration, diagrammatic or pictorial, it must be related to the report as a whole, and perform some function beyond merely breaking up type surfaces. The type face is selected for readability and dignity.

The annual report is read not only by stockholders, but also by employees, by the financial and business world, by journalists, and by a considerable portion of the general public. We try to make ours truly reflective of the company and in recent years have moved away from a document which simply satisfies accounting and legal requirements to one which gives the shareholder an intimate picture of the business in which he has put his savings, of its problems, of the thinking of its management officials, of the people who, in the final analysis, actually constitute the company. Figures remain figures, but by giving them a

large page, a larger face, and more white space, we have succeeded in making them less formidable in appearance. We want people to read our formal financial statements, and we feel the services of a typographer are well worth while to accomplish this end.

At the same time that we have endeavored to make the figures easier to the eye, we have sharpened the quality of diagrams and graphs, and have introduced photographs to add another dimension to the report. In effect, we wish to say, "These are the people, and this is the kind of work they did which is reflected in the figures." This is the grand report of the hard work of a large group of men and women and machines for an entire year, and since we are proud of our accomplishments, we would like others to read and understand.

#### The Company Publication

Company magazines—or house organs, as they used to be called—are an effective medium of public relations when done well. Every company magazine must bear some part of the responsibility of representing the American business community. It is better to do none than to do one which is dull or shoddy. The cost makes it prohibitive to use many of the techniques of the commercial magazine field. But there are variations of tested techniques which can properly be applied to company magazines. Here, again, know what the magazine is supposed to do before it is published.

A company periodical can be planned to do a number of different things and may be addressed to one or more of several audiences. It may be produced especially for shareholders with the purpose of keeping the owners of the company informed on what the management officials and other employees are doing, and of giving each shareholder information about the business which he may impart to his own personal circle. In this way the shareholders, in a sense, become public relations emissaries of the enterprise.

Or a publication may be designed primarily for employees in order to provide a channel for acquainting them with company activities outside their own immediate place in the business. Thus it promotes a sense of organization unity and helps to build morale. A publication may be circulated to customers and potential customers with the objective of creating and maintaining good will among consumers. Sometimes company publications are sent regularly to prominent citizens of plant communities, government officials, and others who may be classed as "opinion leaders," with a view toward establishing and maintaining a friendly attitude toward the enterprise among the public at large.

Obviously, the purpose of a company periodical will largely determine the kind of material put into it and the general editorial tone. Personal news items about employees—for example, the standings of teams in the company bowling league, social events among the personnel, etc.—are likely to make such dull reading for shareholders, customers, or the general public that the interest of the whole publication is lost. Yet they are of absorbing interest to employees themselves. Sometimes it may be possible to make a publication serve two groups of widely separated interests by departmentalizing the contents. In many cases, it is far preferable to produce more than one publication.

No matter what the purpose of a company periodical, make-up can be crisp and modern without being sensational, and there are enough styles to suit every need without slavish imitation.

#### Booklets for the General Public

The bulk of our public relations publications are booklets and brochures for the general public or special groups within the general public. Very often these booklets are reprints of important statements or addresses by an official of the company. These are put into booklet form to give the material attention-value, circulation to selected audiences, and semi-permanent character. The public aimed at of course, is determined by the subject matter, and the appearance of the booklet follows that line. A booklet aimed at editors will probably not be like one designed for scientists. Scientists are likely to want footnotes indicating the source of assertions. Editors, while not uninterested in footnotes, appreciate cogent writing and points summed up so that the nub of the matter can be got at quickly. In our own experience, we have observed that lawyers, accustomed to digesting, or, at any rate, ingesting great quantities of words, seem rather to prefer heavy blocks of type. On the other hand, teachers seem to like things explained carefully, in a larger type, and with plenty of graphic assistance in the way of maps, charts, and pictorial statistics.

It seems particularly important to remember that a public relations publication is not an advertising publication. The techniques which are so successful in the latter field are often completely unsuited to the former. Usually you are asking your reader to consider an idea, and to be persuaded to or brought into your point of view. Soft persuasion may sometimes accomplish that, where boldness and a clamorous demand for attention would repel and affront. Consideration of teachers' needs is particularly important today when educators are beginning to accept commercial teaching aids without suspicion of the intent behind them.

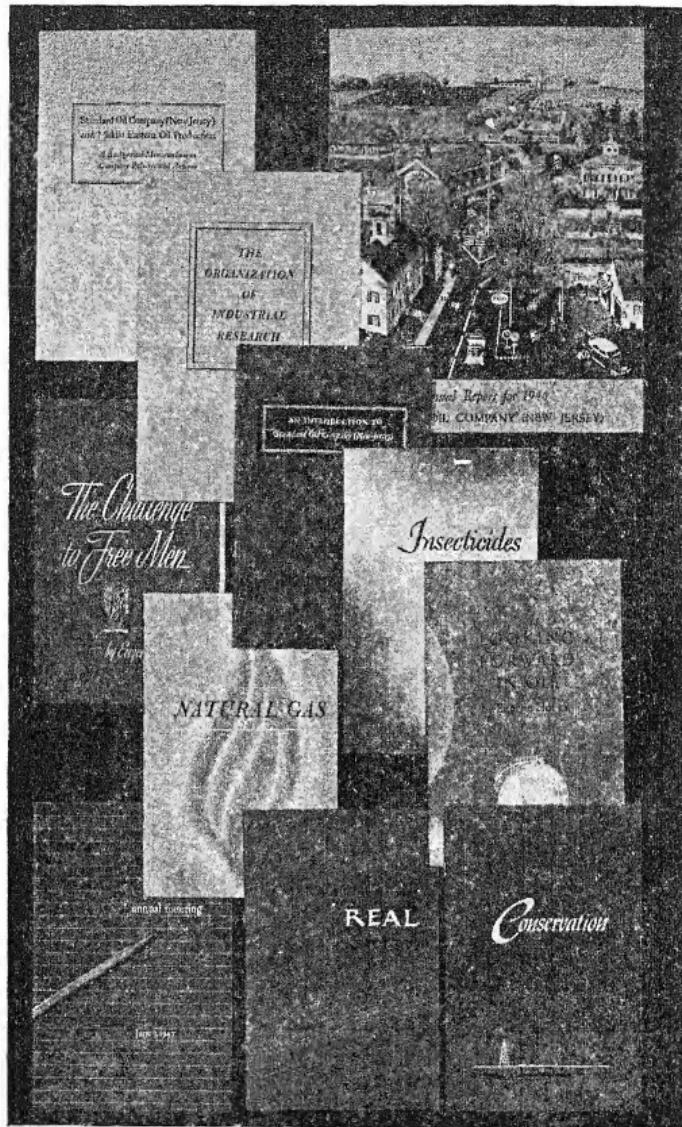


FIGURE 29.—A FEW OF THE PAMPHLETS AND REPORTS USED BY STANDARD OIL (N.J.) TO TELL THE COMPANY'S PUBLIC RELATIONS STORY.

## PHYSICAL FORMAT

Assuming that the audience has been selected and the text handled in a suitable manner, the appearance of the publication becomes the next matter for attention. Covers are of prime importance. They must attract the reader, intrigue his curiosity and, ideally, impel him to save the booklet. In some way covers perform much the same function as the headline which attracts a reader to a newspaper or magazine article. Not every cover requires a picture or illustration. There will be many times when type alone will be the most interesting thing you can use. When that is true, don't distract your reader by asking him to look at a picture also.

Make your booklet easy to read. If you make it difficult, your reader will go elsewhere. This means enough white space, large enough type. Don't ask the booklet to do more than it can do. Overabundance of ideas or a multiplicity of pictures, diagrams, and a confused lay-out will be distracting.

It is not necessary always to include pictures or illustrations. When they are used they should serve a definite purpose and will require the same careful editorial consideration before their use that is given the text. There will certainly be occasions when pictures, or other visual material, can make your points better than words. Visual treatment will often illuminate difficult statistical material and make it understandable at a glance. But do not be under the impression that any picture is helpful. Pictures can be hackneyed and speak in clichés as easily as words. Your pictorial content, if your booklet or other publication is to be fresh and interesting, must have the same quality of interest that is demanded of the text.

There is no substitute for a good type face. Many of the old faces, which have established their authority over a period of centuries, have been recut to meet modern conditions. They will add that small edge of quality to your publication which distinguishes a good job from an excellent one. The type face should be selected to fit the special requirements of each publication and its particular group of readers. There are many good books on type, and if you have the time and interest you can learn about them yourself. But failing that, a typographer or a good printer will give sound advice.

Paper, printing and binding are necessarily a part of the mechanical considerations. Select paper and the kind of printing—letter-press, offset, gravure—with the same thoughtfulness used for the rest of the publi-

cation. Slick, coated paper is not an inevitable requirement, and may, instead, defeat your purpose. The printing can be made to fit the occasion, but if you are seeking a bargain in printing it seems pointless to expend great effort on everything else. Color is not a requirement, and unless it serves a real purpose, using it is a mistake. This is a hard thing to resist, and printers are almost hypnotic on the subject. But if you fall into the trance and splash color blocks about which serve no purpose, you will do nothing more than confuse your reader. It can be useful, in four-color process printing, in single additional colors, for emphasis, and in many ways. The problem is to think out the use first.

There is no general rule to govern the way a publication should look except that it should be in good taste. If you are inexperienced in the field, or lack confidence in your own judgment, seek the advice of experts. This I believe to be good counsel for even the most experienced person. The publications specialist, whether he be typographer, designer, lay-out man or printer, brings to your hand not only his expert knowledge but a seasoned imagination as well. Very often the cost of his services is more than counter-balanced by economies he suggests.

#### Booklets—Public Relations Ambassadors

You are not likely to go wrong in preparing public relations booklets if you consistently regard them as a substitute for a personal call upon those who receive them. Leaflets, booklets and other publications are ambassadors. And the way in which words, photos, artwork, type, ink and paper are assembled in a pattern gives these ambassadors definite "personality." A primary objective when creating printed matter, therefore, should always be to make sure not only that it has something to say but that it has the kind of personality we would like to find in any human representative of our organization.

We would not want a human representative to pound his fist on a customer's desk, shout, or irritate him with belligerent argument. We would not want someone sent to make calls on behalf of the organization to be pompous and heavy, or slick and unctuous, or badly dressed and unkempt, or stupid and uninformed. Instead, we would choose someone who was courteous, of good appearance, well versed in the business, articulate, pleasantly persuasive. These are the same qualities you should try to get into your public relations publications. Plan every publication to be a good-will ambassador. Every aspect of it should reflect and communicate the spirit, character, and policies of the organization it represents.

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## Editors' Note

The greatest weakness in public relations operation today is the ineffective use of channels of communication. In this situation the ancient art of pamphleteering has not developed to its full potentiality. The pamphlet or booklet can be used effectively as auxiliary support for almost every public relations activity. The great advantage is that through it the sponsor can say precisely what he wants to say and give the message to exactly the audience he wants to reach. Furthermore he can usually see that the message arrives at almost precisely the time and place most conducive to reading and acceptance. In addition the pamphlet makes a permanent and incontrovertible record of company policy and intention.

The public relations booklet can be used as a rifle to shoot at a limited and precise audience or it can aim shotgun fashion at millions and be effective in influencing all of them. Some of the best pamphlets have been reprinted many times and accepted, even demanded, by a wide variety of important audiences for whom it was not originally intended. One of the best examples of this potentiality is a booklet issued by General Motors under the caption, "Safe Driving." More than 8,000,000 copies have been printed. It has been circulated by almost every safety organization in America. Some of the state motor vehicle departments discovered it and now eight states enclose a copy of the booklet with every set of license plates distributed.

### Wasteful Practices To Be Avoided

Despite the effectiveness of the pamphlet medium, it is still used with extreme wastefulness and extravagance. Too many are written to perpetuate some pet idea of management or to glorify the boss through the wide distribution of a speech which bored his audience in the first place and is no more intriguing to the reader.

This is owing partly to the fact that there are no standards for the measurement of such a document. That fact should be sufficient warning that expert public relations thinking should be employed in determining whether the booklet should be issued in the first place. Even the most reliable of such experts check their judgment by surveying the readership and impact of their booklets and use that experience in determining the acceptability of those that are planned for the future.

The opportunities for use of booklets in any substantial organization are almost unlimited. Three types have recently risen to positions of paramount importance in public relations programs. They are the employee indoctrination handbook, the company history or anniversary booklet, and public relations guides for executives and employees.

### The Employee Indoctrination Handbook

The basic purpose of any employee handbook is to convince employees and the community that yours is a good place to work and that every individual on the company's payroll can achieve security, opportunity and recognition. Employee opportunity should be spelled out without bombast. Rules and opportunities for advancement should be explained and the responsibility that goes with advanced position and pay should be explained in terms of opportunity rather than obligation. Many opinion tests seem to prove that a substantial part of the working force is more interested in recognition of its capabilities and responsibilities than in advancement or higher pay.

Convincing the employee of his security is difficult. Few companies maintain an annual wage or have discovered feasible means of avoiding the influence of the seasons and customer buying habits on their operation. The principal task of the handbook is to demonstrate how the company is gradually working towards greater stability and how the best assurance of it is in the continued prosperity of the company and the industry. Pride of identification with the company can be developed by effective indoctrination and does more than anything else in implanting the idea of employee security.

### Basic Rules in Planning

Four general rules seem to be almost universally sound in writing an employee indoctrination booklet: (1) Be exact, frank and fair in every word; (2) write in simple, understandable language without condescension; (3) make it interesting and persuasive without special pleading so that the employee has a natural tendency to take pride in his company and his product and his service; (4) put far more do's than don'ts in such a booklet. It is easy to get over the message as to what must not be done without a *verboten* atmosphere in a single paragraph. Accomplishing that objective is perhaps the most important test of the validity of such a booklet.

### The Title

Titles should be warm, human, and suggest personal interest and

teamwork. It has recently become important to avoid the stifling clichés that have become so prevalent since the significance of the word "you" in this medium was discovered. There are hundreds of such booklets, each labelled "You and the (name of company)." Revere Copper and Brass Company thought of "Partners in Revere." That tells the whole story. Blackhawk Manufacturing Company labelled their booklet "Your Life in Blackhawktown." This title ties the company and its employees into the community, develops unity and offers excellent opportunity for telling the industrial relations story to community leaders. Another provocative title is "The North American Way," used by North American Aviation.

### The Flyleaf

The best of such documents is usually personalized by writing in the name of the employee on the flyleaf. The human appeal of the booklet is frequently weakened, if not destroyed, by a blank on the flyleaf on which the employee is expected to acknowledge receipt of the booklet, agrees to conform to its rules and regulations and finally subscribes to some such agreement as "I understand completely that (name of company) has no obligation to continue my employment longer than such employment is considered necessary or desirable." With that proviso ringing in his ears the employee is expected to read the rules of the game sympathetically and work as a member of a team for a company which proclaims it has no obligation to him beyond tomorrow.

### Editorial Content

The contents of a good employee indoctrination booklet are likely to include the history of the organization, a description of its products and services and the uses to which they are put. It usually carries a list of executive and supervisory personnel and a chart or definition of the line of authority and responsibility.

If there is a written statement of industrial relations policy or a pledge to employees, it belongs in the front of the book. If there is no such public record, one based on sincere management policy should be prepared and included.

Then follows the rules of employment, stated in language of cooperation and in terms of employee interest.

There is a growing tendency to explain the operations and policies of the various departments. A new trend is to spell out in detail the public relations program, the operation of the department and employee benefits from, and interest in, over-all public relations.

## COMPANY HISTORY OR ANNIVERSARY BOOKLET

The dignity of a company and its contribution to public welfare can nowhere be as effectively recorded and publicized as in an anniversary or company history booklet. Both the appearance and the content should reflect the corporate personality.

The most conspicuous weakness in documents of this sort is that insufficient time and effort is put into research and planning. Few companies have any formal arrangement for keeping and codifying the day-to-day record of events that must ultimately become part of company history. Look upon such a pamphlet or volume as an indelible record offering little opportunity for correction of errors or omissions in the future. This means that once the original research is finished, it should be the continuing responsibility of the public relations department to keep such records up to date.

Planning in advance permits tying in the publication of the booklet with important activities such as open house, community celebrations, etc.

### The Theme

Every such publication should be built around a central theme and that theme should emphasize service and prestige rather than company profit. Here are a few titles which suggest acceptance of this philosophy:

"50 Fighting Years"	New York Journal American
"A Century of Public Service"	South Carolina Power Co.
"Box Kites to Bombers"	Glenn L. Martin Co.
"A Century of Quality"	James Lees & Sons Co.
"Panorama of a Century"	Penn Mutual Life Insurance Co.
"Younkers Grows Up with Iowa"	Younkers Department Store
"An American Portrait"	American Life Insurance Co.
"George Westinghouse: His Life and His Achievements"	Westinghouse Electric Corp.

### Telling the Company Story

The history should begin with the drama of the early struggles of those who founded and developed the company. Repeated telling of the story sets up the founders as creators of the traditions and heritage which are continuing guideposts to management and workers. As the story approaches current history it puts increasing emphasis on the con-

tribution of employees, customers, dealers, suppliers and the community. The history gradually changes the character of top management from dominant entrepreneurs to stewards of public responsibility.

The story of the development of products and the accomplishment of research is threaded through the history with constantly increasing emphasis on their public service. In these days of suggestions systems and the increasing importance of young technicians, teamwork rather than individual genius should be emphasized and appreciated.

There is drama in the record of the most prosaic of companies. The effectiveness of the volume will depend largely on the ability of the writer to make the reader find reality in the stories of growth and development without obviously reaching for effects wherewith to thrill him.

### Distribution

Another common error in the planning of a company history is failure to provide adequate distribution. It is to be assumed that mailing lists will be confined as sharply as possible to those having a substantial interest in the affairs of the company and its community. In selecting those lists the tendency too often is to assume that the effectiveness of the booklet is limited to the few minutes or hours one person will use in reading it. But the contrary is true. If it is well done, this is the kind of publication everyone hesitates to discard. In almost every case, the tendency should be to stretch the budget for the widest practical area of distribution. In any event, the audience must include stockholders, employees, schools and libraries, the press and radio and opinion leaders, particularly in plant communities.

## PUBLIC RELATIONS GUIDES FOR EXECUTIVES AND EMPLOYEES

The integration of public relations into company planning is illustrated by the great numbers of good and constantly improving public relations indoctrination booklets that are distributed to executives and employees. In all but the largest companies, executives can be trained and guided in personal interviews and group conferences. But even small and medium-sized corporations need the public relations booklets for employee indoctrination and training.

### Define and Explain Public Relations

For employees the term "public relations" should be defined in sim-

ple language and its function described. O. D. Donnell, president of Ohio Oil Company, Findlay, Ohio, explains it to his employees in this fashion:

"The public relations of a company cannot be assigned to any single department. These relations result from the contact of employees and representatives of the company with each other and with the public. However, certain policies and activities can be promoted which will assist all of us in our relationships. These are spoken of as public relations.

"This new department will be responsible for the study, development, fostering and promotion of such public relations policies and activities as may be assigned from time to time. Although it is impossible to detail in full the responsibilities of the department, its objectives will be to clarify, correlate and interpret company policies and practices in the proper manner for the purpose of assisting the operations and staff departments and all employees to better the company's basic aims and objectives.

"The department will also serve as a focal point for official company announcements, thereby avoiding confusion and misunderstanding that might arise from the release of contradictory information by different departments of company personnel. While in no way interfering with authority and prerogatives of operating departments, the manager of public relations will serve as a valuable advisor to the various department heads.

"The achievement of the objectives of the best in public relations, which in its broader aspects includes industrial and employee relations, can be assured only by the full cooperation of all departments and company personnel."

The Chicago, Milwaukee, St. Paul & Pacific Railroad issues a booklet describing the operation and functions of the public relations department. It points out how the employee can cooperate in the public relations job with this introduction:

"The 38,000 Milwaukee Road people, plus the adult members of their families, probably total 100,000 persons, all interested in the welfare of the railroad that supports them. 100,000 people—100,000 voices!

"Think of what could be accomplished if 100,000 people used every opportunity to speak favorably about their railroad to the people they meet when on and off duty."

This preamble is followed by a series of pungent observations employees might toss into casual conversation with their friends and neighbors and the answers to some questions the public is most likely to ask.

This is but one of many devices used by the Milwaukee Road in its booklets to train employees to be public relations ambassadors.

The public relations indoctrination of employees usually includes specific suggestions as to how employees can find pleasure and profit in contributing to community welfare and cooperating with civic enterprises. Some go so far as to urge that executives give personal attention to at least three civic groups and leadership to one. They also suggest that every foreman and supervisor become active in one community enterprise.

### Documenting Public Relations Accomplishments

Such a public relations handbook should report in detail on the public relations programs and projects of the company and tell how employees contribute to their effectiveness. Many companies reproduce the best of their public relations advertising and give evidence of appreciation on the part of customers, suppliers and neighbors. They also cite specific examples of the benefits of good public relations work to the individual employee.

### Putting Self-Interest into Employee Training

One of the best examples of how this works in actual practice is the experience of the Southern Pacific Railroad. After every employee in the road's dining car division had taken a course in public relations which stressed the influence of good service on tips received by waiters and stewards, the employees started organizing clubs of their own to promote better service. They came up with the idea that all the tips in the dining car would be pooled and that waiters, cooks and dishwashers would share in them. Immediately every waiter became a policeman. He first corrected any employee who failed to give the maximum of courtesy and service and brought him up for a scolding before the whole crew after the meal was finished. If bad conduct continued the crew saw to it that the offender was transferred or dismissed. After three months of operation under this system, dining car employees informed the management that by putting their public relations training into practice, they had doubled the average daily total of tips.

The publicizing of that experience throughout the company gave the training program an impetus that no amount of executive exhortation could have accomplished. That sort of case history material included in the public relations handbook can tell the story to the employee in terms of a dollar-and-cents interest which he can understand.

## SOME OTHER PUBLIC RELATIONS BOOKLETS

*The Fact Book.* Every industry and every large corporation can well afford to publish an annual book of facts. Outstanding examples are those of the automobile, urban transit, rubber, life insurance and similar industries. Among the best of those issued by individual corporations is the year book of Swift & Company. These go into the desks and libraries of newspaper editors and columnists, radio commentators, economists and educators to be used as background material. On a less ambitious scale this device can be adapted by medium-sized and even by some of the smaller companies.

*Reporting Company Profits.* Many companies are making some concession to the need for explaining company profits to employees and the community. Unfortunately the whole subject is usually dismissed by some expansion of the annual report to stockholders or by a special report to employees. Yet not five percent of the workers of America have any realistic understanding of the subject. It's a story that should be told and retold. Some companies have discovered that a graphic and dramatic booklet devoted entirely to this subject can well be distributed at least once a year, with the company publication and other media bearing the burden of further indoctrination during the rest of the year.

*Presenting Management to Employees.* In an effort to humanize industrial relations, many companies have made effective use of special booklets containing the photographs and brief sketches of members of the board of directors, executive officers and sometimes even of supervisors.

*Suggestion System Booklets.* The wartime accomplishments of the suggestion system and its adaptation to peacetime uses were materially accelerated by a series of booklets which described the system, dramatized the employee's interest in it and did much to make the worker feel he is close to and sometimes a part of management.

—G. G. and D. G.

# TEACHING PUBLIC RELATIONS TO EXECUTIVES AND EMPLOYEES

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## E

XPERIENCED PUBLIC RELATIONS workers well appreciate the fact that most of their problems can be approached from many directions. The chapters preceding this demonstrate the great breadth of opportunities and methods.

Among progressive companies there appears to be growing realization that one of the best approaches for providing public relations training for your own executives and employees is the *direct* one. Such plans vary widely from company to company, but their aim frequently is:

1. To provide all executives and employees with facts and an understanding of the economics, history, and policies of the company within the framework of the individual industry and the nation's economy at large
2. To demonstrate to all executives and employees that applying the

principles of public relations in their daily work is profitable to them as well as to the company.

The reasoning behind the first point is approximately as follows:

Surveys have shown a widespread misconception of company profits. The average worker believes profits generally run between 20 percent and 30 percent, and that about 10 percent would be fair—whereas the average company makes far less. Opinion polls also have shown that the great majority of workers desire more information about their own company. Giving them this information in simple, understandable terms should do much to correct the economic delusions which endanger the company and our American enterprise system.

On the second point, the thinking runs:

In the eyes of the public—expressed simply, your next-door neighbor multiplied thousands or millions of times—your executives and employees *are* your company. Why not capitalize on the tremendous amount of good will which can accrue from giving your people the opportunity and encouragement to become your constant public relations workers? When properly informed and trained, they can swell by a thousandfold the unaided efforts of a single executive or public relations department. They make the personal contacts, create the personal impressions which frequently count more than do thousands of impersonal words. Their public relations values will vary as much as the individuals concerned, but if their efficiency is only a small percentage of the potential their impact as a constructive force still can be immeasurably valuable.

#### Further Benefits of the Training Program

In broader concept, the well-conceived and carefully administered training program will favorably influence other aspects of your overall public relations plan. For example:

1. Scientific opinion-polls demonstrate that a plant community's opinions about a company reflect largely the opinions of the company's own employees, as spread by word of mouth through the community. Thus a good public relations training program for your own employees will do a sizable part of your community relations job for you.
2. Your labor or employee relations program automatically benefits if your executives and employees learn the economic facts of life and, by being given the flattering opportunity to understand them, can feel that they are important within and to the company.

### Management Thinking Ahead of Action

Management generally seems well aware of the importance of good management-employee relations. This factor was ranked first, followed by customer relations and community relations, in a National Industrial Conference Board survey on representative companies' opinions on the relative importance of various phases of public relations programs. Interestingly, a public relations training program works simultaneously in all three fields. The NICB poll gave fourth place to stockholder relations, fifth to relations with the general public (exclusive of the segments already named), and last place to government relations.

Yet despite recent progress, awareness seems to be well ahead of effort. In preparing this chapter, we surveyed some 25 leading companies, many of them the largest in their fields. More than two thirds reported no public relations training activities. Among businesses which have programs to explain profits—an important phase, but only one phase of a well-rounded training program—a *Public Relations News* survey showed the principal use of tools was: company publications 46 percent, annual or quarterly reports 42 percent, meetings with employees 36 percent, special memos 24 percent, labor-management committees 23 percent, community advertising 22 percent, direct mail 13 percent, posters 6 percent, radio 4 percent, and movies 3 percent.

### New York Central's Plan

In the New York Central's case we have some 136,000 potential public relations ambassadors. They are concentrated largely along our 11,000 miles of road directly serving eleven states and Canada. They include off-line traffic representatives, for example, in cities ranging from Caribou, Me., to Portland, Ore., and Jacksonville, Fla., to Los Angeles, Calif. On or off the job, our executives and employees are constantly meeting the public. Many estimate they average fifty contacts in a single day. Whatever the exact number, it appears obvious that Central people may be making several million impressions daily. It is our program's purpose to make the ratio of *good* impressions as high as possible.

### Conference-Type Classes

The backbone of our activity is conference-type classes which enlist the active participation and interest of virtually all members. The program was worked out with the cooperation of the New York State Education Department. The U. S. Office of Education became in-



FIGURE 30.—NEW YORK CENTRAL REDCAPS ATTENDING ONE OF SIX WEEKLY PUBLIC RELATIONS SESSIONS CONDUCTED BY TRAINED EMPLOYEE CONFERENCE LEADERS.

terested. Now, with the aid of other state education departments, the program has been extended throughout the New York Central System and has been widely copied for similar efforts within and without the railroad field.

Trainees are divided into small groups of about 15 to 20 persons. They include railroaders from every department, ranging from track-working "gandy dancers" to gatemen, from ticket girls to trainmen, and redcaps to roundhouse mechanics. Each class is deliberately composed of people drawn from as many different departments as possible, to build increased cooperation by breaking down interdepartmental barriers and to provide the opportunity for wider friendships within the company. Each class has six weekly sessions of two hours each, and diplomas are awarded those who attend all sessions.

#### Choosing the Conference Leader

Conference leaders are selected from among employees who have demonstrated leadership qualities, but who have not advanced suf-

ficiently far in the organization to give participants any qualms about expressing their views freely and frankly. The leaders do not teach, but serve as guides. They introduce subjects to be covered and keep discussion on the right track. Armed with blackboard, chalk and a leaders' manual, their mission is to draw the correct answers from the class members, which they almost always do.

We endeavor to bring out the effects of revenue and income on pay checks, and to show that good public relations are the finest kind of job insurance. Employees are encouraged to think of and discuss the railroad in terms of its organizational parts—such as employees, bondholders, stockholders and physical plant. They analyze the how's and why's of competition, governmental policy, and everything else which affects the business. The importance of courtesy is thoroughly treated—including its results at the cash register, and in making work more pleasant and easier.

### Employee Reaction to Training

In addition to other benefits, the conference method employed brings home to supervisors many of the human problems of their subordinates. Rank and file employees simultaneously gain increased appreciation of the problems and thinking of management. Although the program is only five years old, we already have some 50,000 graduates.

Employee reaction is so favorable and demand for further training so great, that we expanded our activity with an advanced public relations course for graduates of the elementary course. Our newest effort is a correspondence course to reach employees at out-of-the-way locations and the operating people whose work precludes being available at the same hour and same location each week. After completing each unit of the course, the employee will answer a special questionnaire, send it in and receive the next unit. By scoring 75 or better on each quiz, he will receive an engraved certificate.

We are under no illusions that humans cannot forget, or that any one method can do as well as several. For these reasons we employ other media and procedure in the realization that lasting benefits depend largely on constant follow-up.

### Other Techniques Used

In addition to showing several New York Central moving pictures in many of the classes, we turn at various times to newspaper advertisements and to posters and booklets on courtesy and economic facts. President Gustav Metziman contributes an article about our business in

each issue of our monthly magazine, the *Central Headlight*. Reprints of this series—called “Let’s Know the Facts!”—are used in current public relations classes. Posters based on the series, and on our annual report to stockholders, are prepared for bulletin boards all over the System.

All employees also receive a copy of the annual report. It is written and illustrated with the idea of having it easily understood.

Is the program paying off? Definitely! The full, cumulative effect may not be apparent for some years. One immediate indication, however, is provided by the letters received from the general public commenting on the quality of our employees’ service. Before starting our training program we received five letters of complaint to each letter of commendation. Now the ratio is five complimentary letters for each letter of complaint.

#### Training at A. T. & T.

One of the oldest and best respected public relations training programs in all American industry is the extensive effort of the American Telephone & Telegraph Company and its 24 principal operating subsidiaries. Four times a year A. T. & T. conducts system-wide surveys to determine subscriber opinion—a constant guide for management and the entire public relations program. A typical survey, covering resident subscribers in 93 Bell System exchanges in all parts of the nation, asked questions such as these:

1. Are you treated the way you like to be treated, by people at the telephone company?
2. How good a job do you think the company is doing in meeting the demand for telephone service?
3. Should the company give telephone service to every applicant it possibly can, even if this would mean poorer service for present customers for a while?
4. Would you say the telephone company is doing more business, or less business, than it was a year ago?
5. Would you say the cost to the telephone company of serving each customer is more or less than it was a year ago?
6. Do you feel that what the telephone company makes on the money invested in the business (after all expenses and taxes) is too little, reasonable, or too much?
7. In your opinion, is the company doing all it can to keep down the cost of service to telephone users, or could it do more?

Not surprisingly, considering the width, depth and skill of the Bell System public relations programs, the returns generally were over-

whelmingly favorable. They were summarized to employees through publications of the various operating companies. This not only helped to make employees conscious of what the public thinks of their companies, but gave management an opportunity to present the right answers in a most natural way.

### Supplemental Training Material

The telephone companies utilize a wide variety of executive and employee training aids. These include information news-sheets for supervisors; expertly written company manuals; booklets such as "This Thing Called Public Relations," a collection of editorials in Pennsylvania Bell's *The News*; and an extensive selection of special-purpose posters and pamphlets. A vital part of the program naturally is frequent employee meetings.

Information on public relations activities among the many operating companies is coordinated by the Information Department of the parent A. T. & T. The information is presented in *Overtones of Good Service*, issued regularly. A recent issue related how A. T. & T. met the problem of wartime deterioration of service in a large eastern industrial city. A program was developed on the theme "Busier than ever, courteous as usual," which pleased traffic people and appealed to operators. "Letters signed by chief operators were sent to employee homes. Posters, dial, mirror and door stickers, honor rolls, personal number books and notebooks with plenty of feminine appeal were worked out and the company magazine backed the program with articles. Result: a marked improvement . . ."

Voice-reproducing equipment is coming into extensive use as a public relations training aid. A number of Bell System companies are using transcriptions for training on tone quality, developed by the Southern New England Company. They use case material, and give a realistic portrait of the impression the customer gets of the operator. The program also employs such aids as microphones and voice mirrors.

### Using Visual Media

A. T. & T. companies make extensive use of training films. Virtually all have shown "You Can Tell by the Teller." This 18-minute picture points out step-by-step procedures in taking the customer's money. It includes such simple but pertinent procedures as to look the customer in the eye to make him realize he is receiving personal attention, and to thank him by name "if the name on the receipt appears to be his."

Several companies have used posters based on the film. Many requests were received from outside businesses, including banks, for showings of the picture. Response was so good that the movie was followed by two similar departmental films, "Your Telltale Voice," for the traffic department, and "An Orchid for Peggy," for the accounting department.

Naturally, the Bell System doesn't overlook instruction in the financial phases of the business. Meetings are built around sound-slide films. To personalize the presentation and to induce maximum acceptance, the narrator is Tom Shirley, announcer for the "Telephone Hour" radio network program.

An introductory film, called "The ABC's of Our Business," brings out concrete answers to such points as "what business is; how much we depend on it; what customers, employees and investors want from it; what the surplus of a business is and why it is important; and where business gets money to expand." The second film, "Building for Today and Tomorrow," becomes more specific. The theme is the need to raise Bell System earnings from a  $5\frac{1}{2}$  percent return on total capital to a point between  $6\frac{1}{2}$  percent and 7 percent to "enable us to pay a reasonable dividend—to build up our rainy day fund, or surplus, as a guarantee of continued business security—and to maintain our standing with investors so that they will be willing to invest additional money in our business as we need it."

Discussion and questions follow each film. Leaders are equipped with an elaborate discussion guide, including reproductions of every frame in the film and the accompanying narration. In closing the discussion, the leader passes out copies of a booklet based on the film.

Does the Bell System's public relations training program pay off? For a practical answer, you need only to pick up your telephone. If you prefer theory, A. T. & T. is a natural target because of its vast size and because of its monopoly and good earnings record, yet it is attacked only infrequently by agitators and never with any substantial measure of success. Though the public dislikes monopolies in general, it makes the telephone companies a notable exception. The Bell System's training program, buttressed by constant institutional advertising and other public relations techniques, unquestionably *does* pay off.

#### Other Company Methods

We have examined two programs in some detail. There are a number of interesting approaches among other leaders in the public relations training field which may suggest thoughts for your own problem.

Some are direct approaches and others are supplementary, but all have interesting and promising points.

The Borden Company has for ten years circulated among key employees a monthly bulletin, "P. R. Memo," which disseminates explanations of public opinion trends, public relations case histories and suggestions which might be used at various points in the company's decentralized operations, and announcements of new material as it is prepared. Borden also has prepared a sound-slide presentation to explain public relations objectives and to outline the services of the department. It is used by management groups at various Borden plants.

International Harvester Company has established at Chicago a "Central School for Sales Personnel" for "managerial employees." Every trainee takes a public relations course as part of his training, which runs from three to six weeks. The course, given by the company's director of public relations, includes a slide-illustrated talk, case studies of specific International Harvester public relations problems, and an open forum question-and-answer period. The instructor's manual summarizes: "A company's good public relations is like money in the bank; it is always there when it is needed most." When a new plant is opened or an old one is enlarged, employees spend an hour a day for a week in special indoctrination classes which teach them not only the rules and policies under which they will work, but also their place in the social structure of the company and of the community.

United States Steel Corporation's public relations administrative head speaks each year on the objectives and accomplishments of his department at the annual meeting of presidents of subsidiary companies and other top officials. Responsibilities and procedure are clearly defined in an organization manual published for use by various subsidiaries' public relations offices and by presidents of the companies. A booklet has been prepared for general distribution throughout the corporation, down to the foreman level. Members of the public relations staff also appear at foremen or supervisory meetings at various plants, outlining objectives and soliciting individual cooperation of employees.

#### Top Management Meets the Public

U. S. Steel's directors make tours around the country where they meet and talk with literally thousands of people in business meetings and social gatherings, learn the background and public attitudes of the area and tell their own story in direct, convincing fashion. Similar trips are made by directors of such organizations as Sears Roebuck and the Santa Fe and Erie Railroads. The regional stockholders' meetings of

such businesses as General Mills and Pepsi-Cola are closely comparable from an executive public relations viewpoint. This pattern is gaining favor, and may be adopted widely.

One aid in preparing the way may be the National Association of Manufacturers' new speakers' training program for member companies. As NAM expressed it in announcing the program:

"Essentially this is an effort to remedy one of the most glaring weaknesses of industry today—its lack of trained speakers adequately equipped with facts, who can tell the story of business convincingly to audiences of all kinds, sizes and ages at any time and under any conditions. The program will consist of intensive 'workshop' courses given by teams of competent experts of the NAM staff. The courses will be held in industrial communities throughout the country, and will be under the sponsorship of local or state associations wherever possible. The participants will then receive a continuous 'Service of Supply' from NAM in the form of a loose-leaf speakers' manual which will be kept up to date by the monthly addition of new or substitute pages and a complete revision yearly."

A similar speakers' manual geared to the railroad industry at large, has long been a part of the extensive public relations program of the Association of American Railroads.

#### Other Training Patterns

The Goodyear Tire & Rubber Company's public relations department discusses the what, how and why of Goodyear's public relations as part of its management training program for junior executive personnel. Trainees learn that "the public is you and your wives and your children and your neighbors and friends," and that "labor is the public in working clothes." Employee attitudes in the company, as shown by opinion polling, are analyzed.

The airlines industry has many fine public relations training programs. To help enlist its employees, United Airlines, for example, set up a program for each of its 12,000 workers to ride in the Mainliner 300's before they went into scheduled service and to school each employee in the story of the public appeal of the big planes.

The Monsanto Chemical Company has a long-standing program to train division production managers, plant managers and plant personnel managers in their public relations and community responsibilities. A newer activity is a series of four lecture and round-table meetings attended by all supervisors, foremen and salaried workers, and conducted

by top executives including the president, members of the executive committee and department heads. The program is in terms of Monsanto and its people, and goes directly into such topics as hours, working conditions, profits, executive salaries, company income and outgo and other topics, and includes question and answer periods.

To personalize its public relations program the Milwaukee Railroad utilizes "Mr. P. R.," a rollicking little character who helps carry public relations messages to employees, customers, neighbors and the general



FIGURE 31.—"Mr. P. R.," SYMBOLIC CHARACTER WHO PRESENTS MOST OF THE PUBLIC RELATIONS MESSAGES FOR THE MILWAUKEE ROAD.

public. He speaks for the Milwaukee much as Elsie does for Bordens—in advertising, in booklets, and in a 30-minute film, "A Railroad at Work." He also speaks in "Flashes," a six-page folder which carries details of the public relations policy to employees and families.

Some companies turn to the big-name field to help put their messages across with workers and others. One of the best examples is the Baltimore & Ohio Railroad's "Fan Letter to B & O Employees" about their courtesy. It enlisted the writing and cartooning services of Don Herold. Another interesting and readable company manual, produced by the same cartoonist, is "Your Life at Schick" for employees of Schick, Inc. The manual is friendly and informative, and is filled with interesting sketches which speed reading and understanding.

### Enlisting Public Cooperation

An interesting twist is the technique of directly using your customers to make your workers public-relations-conscious. The Baltimore Transit Company inaugurated a weekly radio feature, "Tuneful Trolley," on which commercial announcements enlisted the public in looking for and nominating employees for acts of courtesy, with government bonds as prizes to the winning employees. Aldens, Inc., Chicago mail order house, brought in seven typical customers from nearby states to constitute a forum. With an audience of employees and executives, the training coordinator discussed with the customers the good and bad points of Aldens' merchandise and service.

Two or three times a year the New York State Association of Small Loan Companies holds a meeting of the full membership, each time in a different part of the state, to which are invited an equal number (usually from 100 to 150) of opinion leaders from the area. These include civic, educational and religious leaders and representatives of local business and government. Members and visitors are alternated at tables and visitors are encouraged to participate in a forum after the formal program. Real benefits come from these across-the-table sessions.

Speaking of techniques, why not a public relations contest, with prizes to employees giving the best suggestions for improving relations between employees and customers? Everybody loves to hit the jackpot, and such a contest can start and channel a considerable amount of constructive thinking among your workers. A contest is a sound and proven merchandising technique which can be just as effective for idea-selling as for product-selling. In conducting such a contest, the Jersey Central Lines, for example, found that it not only created considerable employee interest, but uncovered some unknown talent in various departments. One of the winners promptly was transferred to the railroad's public relations department.

### CONCLUSION

Equally desirable and equally within the budgets of most companies can be many of the other public relations training activities mentioned in this chapter. As a practical matter, no organization will undertake all of the possible approaches, but any business can make its own selection of the method or methods best adapted to its own activities—ranging from a minimum activity through its employee house organ to a

well-rounded program utilizing meetings, advertising, pamphlets, films, radio and other public relations media.

The insurance costs of a good public relations training program are surprisingly low compared with the high stakes in elimination of economic illiteracy and costly discourtesies. Progressive managements not only realize this, but are doing something about it.

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### Editors' Note

A few public relations training programs in industry include all executives, but most of them begin at the supervisory level and work downward. One significant discovery has been that top executives almost always begin to take a renewed interest in public relations as soon as training programs are installed for employees. They learn also the old truism that the best way to learn is to teach. Nothing trains management executives better than assigning to them teaching jobs in employee indoctrination programs.

Public relations is a comparatively new management function and busy executives have had little opportunity to learn it outside their own jobs. Now by preparing themselves for directing the employee indoctrination program they not only learn the processes and tools of public relations practice, but they quickly form the habit of applying the public relations yardstick to all policy decisions.

Employee training in public relations not only makes for customer satisfaction and increases sales but perhaps more than any other device it knits people on the payroll into a single unit and bridges the gap between management and employee.

#### Public Relations—A Mutual Interest of All

Public relations is the one common denominator of human interest shared by every person on the payroll. Clerks in the sales department can't be interested in production line techniques which make for a better product, nor is the mechanic in the machine shop likely to concern himself with practices which save time and money in the accounting department. But employees in both departments can find a common interest in programs which build more satisfactory and profitable relationships within the company and with the outside world.

An unspoken purpose of supervisory training is to prepare minor executives for eventual advancement to the management rank. Sound

public relations training not only prepares them for advancement but it also familiarizes them with the problems of management and stimulates an ambition to move upward on the organization chart.

The whole public relations story is one of human relations. If training convinces the employee that the company has a real and lasting interest in treating customers and the public well, it becomes easy to convince the worker that the company is genuinely interested in the human problems which directly concern him.

### Two Types of Conference Leaders

The first and perhaps the most important step in teaching public relations to employees is the selection of executives who will guide and supervise the training. Those who will do the actual training must be experienced public relations executives and their competence must be recognized by the people they are teaching. Frequently teachers of that kind are to be found within the ranks of the company. Perhaps more often it is necessary to go outside for competent specialists to teach the "how to" of public relations procedure. Southern Pacific, with an outstandingly successful training program, employs a consulting firm to supervise it. Others find a combination of the two methods most effective. That is the procedure at Aluminum Company of America.

### A Case Example

Alcoa at least once a year conducts a three-day working session at headquarters in Pittsburgh. It is attended by all works managers, plant public relations representatives, publication editors, personnel people, and several top executives from the main office. These conferences are conducted in town meeting style. Instructors include not only department heads and top personnel from the public relations department, but also outside specialists. Emphasis is put on industrial and plant community relations. In every case the problem is defined and the methods and tools for their solution are described.

Among the subjects studied are local press relations, plant publications, local advertising, relations with community groups, motion pictures, in-plant exhibits, plant signs, employee handbooks, public speaking and detailed interpretation of all industrial and public relations policies.

Many of the more complicated subjects are covered by special literature prepared by the public relations department. For instance, a booklet, "Hints on Working with the Press," distributed before that subject is discussed, gives the story of how the editor and his reporters work,

suggestions for preparing press releases, picture requirements and the basic rules of etiquette in dealing with the press. With some guidance from headquarters, the plant manager is responsible for press relations and publicity at the community level.

At the conference, all of Alcoa's newspapers and magazines are reviewed and the requirements of the various editors studied. Prizes are awarded for such achievements as "Best treatment of a human interest picture"; "Best treatment of a spot news story"; "Best created story of the year"; and for general editorial excellence. Plant managers and local representatives discuss the influence of publications and their various departments on employees and communities.

### Getting Down to Grass Roots

Executives and key employees are schooled in making speeches to local groups. A "kit bag" of speech material is presented and explained. A library section of speech material available to all Alcoa employees is exhibited. An outside expert on public speaking conducts this session.

All of the written material and graphic illustrations used in teaching the course are reproduced in one booklet to be taken home and used in everyday work at the community level. The impression is general throughout the organization that this training method has contributed more than traditional programs in filtering public relations thinking through the whole executive and supervisory personnel of the company and has brought the whole program down to the grass roots level.

The Alcoa method in its entirety is largely suited to big corporations. But that pattern and others described in this chapter can be easily adapted to the need of any corporation regardless of the number of people on its payroll. Such a program in some proportion can and should be developed by every company. The cost of it is largely to be figured in terms of effort and ingenuity rather than in budget expense. Experience will prove that hours and dollars spent on such an effort can be the best investment any corporation ever made.

—G. G. and D. G.

## HOW TO CONDUCT A MEMBERSHIP CAMPAIGN

BY HOWARD BONHAM  
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■XXXI

**T**HREE IS SCARCELY A BUSINESS man or woman in the country who is not, at some time or other, called upon to lead or actively participate in the conduct of a financial or membership campaign for a Y.M.C.A., Y.M.H.A., hospital, golf club, Chamber of Commerce, Community Chest, Red Cross or any of a host of other worthy causes. Indeed, the same individual often can be found taking part in several such undertakings. Perhaps this is understandable because it is the busy person who gets things done.

Characteristically, these efforts usually succeed. Why? Perhaps it is because people instinctively find deep satisfaction in doing things that benefit others. Also because to these tasks they ordinarily apply tested business principles, as they do in their own work.

The financing and membership promotion of important social agencies have developed standard practices for the process of translating into dollars the deep-seated sense of humanitarian responsibility which

is a trait of the American people. One important aspect of public relations to the American businessman is his relationship to these recurring campaigns. He does not wish to ignore them, or consistently refuse to serve. American community life has become unified and integrated in such a way as to mean that participation in individual philanthropic efforts brings a reward to the campaign worker in increased public esteem and confidence. He makes friends, new acquaintances, gets into the stream of community life, and without doubt, when he "casts his bread upon the waters" it returns to him in many ways. While the campaign leader is seldom aware of it, his effort is often the most effective advertising he can obtain. He does not do it for this reason, but it happens that such unselfish service usually is rewarded with well-deserved recognition.

#### Types of Membership Campaigns

Membership is a vital principle in the promotion of most organizations for two reasons:

First: the practice of participation and the sense of "belonging" involved in active membership are sources of satisfaction to the member and assets to the organization.

Second: membership constitutes an important source of income.

Memberships are of three chief classifications:

A *privilege membership* consists of an individual's qualifying for membership and obtaining certain benefits in return for a specified sum of money. The Y.M.C.A., Y.W.C.A., Y.M.H.A., Y.W.H.A., golf and athletic clubs use the privilege type of membership.

An *indirect benefit membership* confers some privileges, but the member is aware of the fact he is contributing to the organization without expectation of full dollar value for his contribution. Membership in a college athletic association may confer the privilege of priority in buying seats to games or invitation to certain events, but the member knows his fee is in large part a contribution.

A *sustaining membership* offers no direct personal privilege to the member, but makes its appeal on the altruistic motive. Prestige, and definite or indefinite benefits are added inducements. Memberships in philosophical societies, alumni associations, foundations and types of life memberships have raised large sums in America, and many members have so chosen to identify themselves. Some agencies practice year-round membership promotion with memberships solicited by paid staff members. This outline, however, deals with those agencies which conduct an annual or occasional intensive campaign.

The businessman chosen to be a campaign leader can readily adapt the basic principles for a membership campaign presented in this chapter to the particular task for which he has assumed responsibility.

### What Does a Chairman Do?

Let us suppose that you have accepted an appointment to lead a membership campaign as its chairman. How do you begin? What are the major steps you will take in planning, preparing, conducting and closing the campaign? We suggest, in outline form, a practical plan. This plan may be modified to meet special situations, but basically it is sound, workable and tested by long experience.

The new chairman sizes up his task, plots his course and sets his objective. He recognizes at once that there are three main divisions in this task: planning, preparing and conducting the campaign. As a climax, closing the campaign so that it will be a finished job and a guide for the next effort is also important.

## PLANNING THE CAMPAIGN

### Steering Committee

The chairman will need help in mapping his course. Perhaps the governing board of his organization already has set up a campaign or steering committee. If not, this is the first thing to be done. No campaign is a one-man job. Not even the selection of a steering committee. The chairman should meet with key members of the governing board and together they should appoint this committee. A mere appointment is not enough. Every member should be personally seen and his acceptance gained. Each member needs to realize that there is work to be done. Board members should help him enlist the best available leadership for this important committee.

### Set the Campaign Objective

How many members shall be set as a goal? There are two schools of thought on this point. One group says "Set it high! We'll get more with a high goal even if we don't reach it." The other group insists: "Set it only as high as best judgment indicates may be attainable. If we get more, fine; we will, by attaining our announced goal, experience victory and thereby create in our community the impression that the organization is a going and successful concern." The writer strongly advocates basing a campaign objective solely on the needs of the organization he represents.

There may be a secondary objective such as financial gain. However, *only one goal* should be announced. Keep the secondary goals within the campaign organization.

### Plan the Campaign Organization

*The Organization Chart.* An aid in doing this is the organization chart on the following page. Long experience has shown that the average community can best be covered by organizing campaign divisions with carefully defined responsibilities.

Most campaigns will anticipate the solicitation of a number of larger gifts from persons of greater means. These gifts are assigned to a special, or advance gifts division. Solicitation in industry should be handled by an industrial division. Non-profit payroll units such as colleges, hospitals, institutions and government offices should be under the care of a special groups division. The down-town business district may be cared for by a business district division. The residential division will take charge of the house-to-house canvass, on a block basis, and if it is desired to solicit in the county or rural territory surrounding the headquarters town, an outlying area division should be built.

These divisions, or local adaptations thereof will be able to cover any community completely with an effective membership appeal.

It is sound membership campaign practice for business leaders to solicit business establishments; industrial people to solicit industry; homemakers to solicit other homemakers, and rural residents to solicit the rural sections.

*A Written Plan.* It is most essential to put the campaign plan on paper. This will commit division chairmen to the plan as they are selected, and will avoid differences of opinion which would slow or stall the campaign. A suggested outline for a written plan follows:

1. *Introduction*, statement of appeal or case, with goal or objective.
2. *The Plan of Organization.*
  - a. The organization chart showing functions.
  - b. The general publicity plan.
  - c. Plan for listing of workers and contributors.
  - d. The time schedule of planned events.
3. *How the Organization Will Be Built.*
  - a. Responsibilities of divisions.
  - b. The publicity division.
  - c. Preparation of lists of workers and prospective members.

## HOW TO CONDUCT A MEMBERSHIP CAMPAIGN

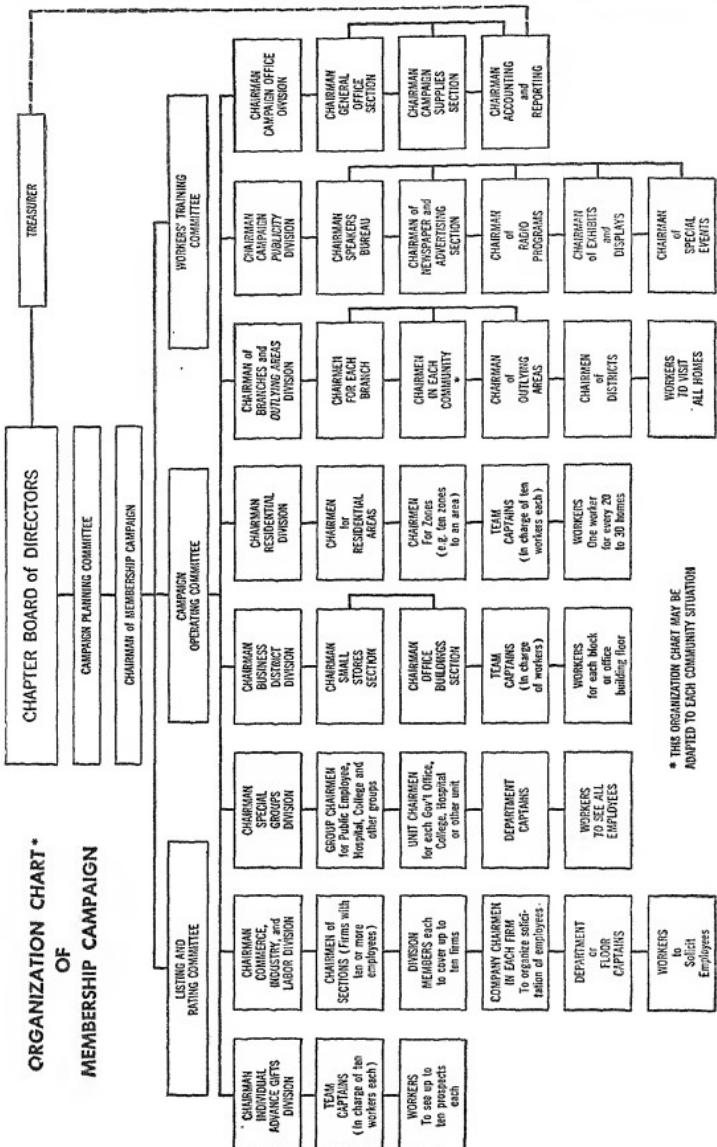


FIGURE 32.

4. *Details of Publicity Plan.*
  - a. National publicity, if provided.
  - b. Local publicity.
5. *Enlisting and Informing the Workers.*
6. *Conducting the Campaign.*
  - a. Opening event.
  - b. Period of solicitation; plan of soliciting.
  - c. How and where to report.
  - d. Accounting, auditing and closing the campaign.

### A Time Schedule of Operations

The importance of a time schedule can hardly be overemphasized. To proceed without one, invites defeat. All campaign activities should be given a definite time limit. Deadlines provide the only insurance of a proper coordination of committee work, preparation of lists, publicity and solicitation.

In addition, nothing does more to produce campaign momentum than faithful adherence to the deadlines and time limits fixed for all steps in the campaign. It is truism among experienced campaign directors that swift, spirited appeals succeed. Slow campaigns leave the community as well as the workers weary, and generally fail.

A sample of a brief suggested time schedule follows. It can be amplified; it will of course be adapted, but it does contain essential organization steps.

### TIME SCHEDULE OF OPERATIONS

1. *Planning Period.*
  - a. Choose campaign planning or steering committee.
  - b. Board selects campaign chairman.
  - c. Chairman and steering committee analyze last campaign.
  - d. Develop plan, organization, publicity chart, and time schedule.
  - e. Prepare list of membership prospects.
  - f. Plan division tasks; set division quotas.
  - g. Organize advance gifts division early.
  - h. Plan general public relations program; interpretation, emphasis, theme, questions and answers.
  - i. Appoint division chairmen (plan with them enlistment of their workers).
  - j. Set up card files of prospective workers.

- k. Get out preliminary story with picture and write-up on chairman and division leaders.
- l. Plan instruction meetings for workers.
2. *Preparation Period.*
  - a. Constitute chairmen, division leaders and other leaders as campaign operating committee.
  - b. Have this committee meet frequently, to promote and check.
  - c. Division chairmen select captains; captains select workers.
  - d. Check campaign supplies, set up campaign office.
  - e. Complete plans for industrial canvass; begin industrial and advance gifts calls.
  - f. Complete the enlistment of team workers in all divisions.
  - g. Conduct active speaking campaign before clubs and organizations.
  - h. Follow through on calls in advance gifts, industrial, and special groups divisions.
  - i. Hold planning and instruction meetings for all workers, perhaps by divisions.
  - j. Launch intensive publicity campaign, bring to a climax a week before "kick-off."
  - k. Hold opening rally, dinner or "kick-off meeting."
3. *Solicitation Period.*
  - a. Begin general solicitation, all together, on the appointed day.
  - b. Maintain full-scale publicity.
  - c. Campaign leaders check daily with workers through the "chain of command": chairman with division leaders; division leaders with captains; captains with workers.
  - d. If weak spots are found, apply a stimulus.
  - e. Hold report meetings as scheduled.
  - f. Employ clean-up methods to insure full coverage.
  - g. Send returns to report meetings or campaign headquarters promptly.
  - h. Hold victory meeting; report to the public; thank all who helped.
4. *Lists of Prospects and Workers.*

The preparation of adequate lists is essential. Many campaigners say there are three chief divisions of campaign work: listing, publicizing, organizing. Lists are the raw material out of which the campaign is built. There should be well developed lists of:

- a. Prospective campaign workers.
- b. Prospective members.
- c. Prospective givers of larger amounts.
- d. Firms and unit groups where members may be sought.

Ordinarily, these lists should be on 3 x 5 cards, alphabetically filed. The card system makes it possible to check quickly to see whether a suggested name is already included and to enter new names readily.

Lists should be prepared at least in duplicate: One set to be retained in the campaign office; the other to be given out as assignment cards for solicitation. It is usually desirable to have a third set for the division leader, so that he can keep a careful check on progress in his division.

Very often, a listing and rating committee is chosen by the planning committee. They will have especial responsibility for assembling and preparing these lists. Lists of prospective workers may be developed from those who have previously served; from rosters of chambers of commerce, service clubs, parent-teacher associations, women's clubs, and of course from the acquaintance lists of division chairmen and captains under them.

Lists of prospects and firms can be similarly built. The character of the membership appeal will determine how prospects are to be selected. Experience has shown that very few people will make calls without definite assignments, either a list of cards or an assigned territory. "Privilege-buying memberships," such as a Y.M.C.A. or athletic club campaign should be conducted on a prospect card basis. A campaign for "indirect benefit" or "sustaining membership" campaigns, such as a Red Cross or Scout campaign may be conducted in part on the block system plan to be described under "How the organization should be built." The list committee should confine its effort to definite names for card listing.

##### *5. The Publicity Plan.*

It has often been observed (perhaps with exaggeration for emphasis), that publicity alone will not raise a dime, but that no sizable campaign can attain success without good publicity. As in selling, so in seeking memberships or gifts, the publicity program must gain attention for the cause, arouse interest, bring conviction and inspire a desire to participate. Without this preliminary cultivation, the canvass for memberships will be a cold-turkey canvass indeed, and barren of results.

The planning committee should appoint a chairman of the gen-

eral publicity or public information committee who is not only a good publicist, but who has imagination in the whole field of public relations, and who has ability in organization to see that the many tasks are properly divided, assigned, supervised and coordinated.

Normally, there are five principal publicity media which can tell your story: newspapers, radio, speakers, special exhibits and displays, and special events, which may be dramatized and publicized, such as a demonstration, parade, amateur play or opening banquet. In addition, some organizations have successfully made a local movie in 16 mm. size, showing activities, camp scenes and program features.

Sub-chairmen should be chosen for any of these five activities deemed appropriate. The planning committee should develop the over-all publicity plan and should pass this on to the publicity chairman to be worked out in detail.

### PREPARING THE CAMPAIGN

The plan of the campaign having been outlined, it now devolves upon the operating committee to prepare the drive in all its details. We say "operating committee," because this is the committee which will carry through. In military campaigns "strategy" is the campaign planning; "tactics" is the actual operation of the plan. The operating committee is therefore the tactical force.

It should first of all and very definitely, be made up of the general chairman and the chairmen of the various canvassing divisions. They are the people who will do the work. Of course, the publicity division is included. To these may be added, at the discretion of the general chairman, members of the board or others who the chairman may feel will be real help. But no deadheads on this operating committee. It is an active force.

#### How the Organization Should Be Built

At the outset, let's say that every campaign chairman should once and for all dismiss any idea that he can just call for volunteers, and by rubbing some Aladdin's lamp, they will appear. Organizations must be built. At the risk of a little repetition, here are set down the four important steps to take in building an organization of membership solicitors:

The fund campaign chairman and the fund campaign planning committee meet to select division leaders. At this meeting one or two

persons should be suggested as candidates for a division chairmanship, and there and then definite members of the committee should accept the assignment to call upon each proposed division chairman and gain his acceptance. At this same meeting they should arrange for a second meeting a few days later at which time acceptances will be reported and the names entered on the organization chart.

The division leaders, when they have accepted their assignments, start at once to enlist their captains who will, in turn, select 6 to 10 workers under them to cover the cards or the territory belonging to their divisions.

The division leaders will check with their captains until they are assured that each captain has a complete team.

The names of captains and workers should be entered on a 3-inch by 5-inch card file arranged by divisions, with the captain's name noted on each card. It is good practice also to make an alphabetical master card list of all workers.

In each division the first task is to analyze the extent of the job and then to enlist enough workers to cover it. If, for example, 300 advance gifts cards are listed, provision should be made for enlisting 30 workers for that division. If the above steps are faithfully taken, a splendid campaign organization will result.

### Training Your Workers

Solicitors in any membership campaign are in effect the sales force of the organization they represent. A successful salesman knows his product. Likewise, a campaign worker must be thoroughly informed to succeed. It is difficult to get workers to attend many meetings. However at a pre-campaign meeting, preferably at a meeting of division workers, inform the workers adequately. Tell them about the cause in which they are enlisted as well as about its program and needs. Then give them the general facts about the campaign; how to make calls; how and where to report. Several voluntary agencies have reported that workers thus informed produced more than twice as much as those who did not attend any such meeting.

### TELLING THE STORY

Publicity methods will vary, according to the type of campaign and available publicity media. Simple suggestions, which campaigners have approved, include the following:

Call the publicity committee together to coordinate the plan and work out a time schedule.

Accelerate the publicity program until it reaches a climax a few days before campaigners take the field.

Maintain full publicity during the solicitation period.

Publicity must stand on its own feet. Make it colorful, tell real-life stories, be original if possible, but hold to the facts. "Truth does not lend itself to forceful and heated expression." Here are a few time-tested publicity devices:

### Newspapers

Write a story on the general chairman with his picture. Follow up with pictures and brief write-up of division chairmen.

Write a good article on just what the organization does in your community.

Show pictures of activities and give names of people supporting the cause.

Feature any prominent and attention-compelling activity.

Toward the end of the preparatory period, write an article telling just why the members or funds are needed. Print a budget. People are often reluctant to do this, but public reaction is usually favorable. Moreover all those who support an agency in the community are entitled to know what is being done with the funds they contribute.

During the campaign, print names of new members or givers. Don't print amounts donated until donors or groups of them want this recognition.

Keep faith with the public. Publish the results of the campaign.

### Radio

If the local campaign is part of a national campaign, the national organization probably will have radio recordings and speakers on national hook-ups. These should be announced and used locally.

Local radio time usually can be used by good local speakers with a brief message. Boys and girls of high school age often give talks which outclass their seniors. Have well known people, qualified to speak, but brevity is essential. One minute spot announcements made by experienced radio personalities almost invariably are more effective than the best speech of the campaign.

Particularly effective is a "sandwich program." Have a popular band, for example, then a speaker, and last, the second section of band music. Otherwise it is too easy to switch the dial.

### Speakers' Bureau

Wherever it is used, a speakers' bureau seems to elicit enthusiastic comment. Person-to-person talks by people who know each other are the most effective types of publicity. Use this method. It is easy to promote. Speakers and appointments for them can be obtained and they will tell your story effectively.

### Exhibits and Displays

Visual aids are important sources of information. Window displays, posters, a decorated public square, flags, a parade (especially if youth is involved), will all make vivid impressions. Consider such aids to your campaign.

### Special Events

An opening or kick-off meeting or dinner can arouse enthusiasm and result in sending out workers confident and determined to succeed. Short, interesting report meetings with appropriate inspirational features maintain campaign momentum. Luncheons usually are most convenient. A wind-up or victory meeting or dinner puts the stamp of success on the undertaking. Each affords an excellent basis for a good news story.

## CONDUCTING THE CAMPAIGN

The period of solicitation should not be too long. Usually ten days to two weeks are as long as campaign momentum and spirit among workers can be maintained. The more thorough the preparation, the shorter the time in which the goal can be met.

Here are ten timely tips:

1. See that each solicitor has adequate information and necessary supplies
2. Build the campaign to a crescendo with all solicitors taking the field on the same date
3. Switch publicity emphasis from the conditioning phase to daily results and developments
4. Hold report meetings on definite days to stimulate progress
5. Every day have division leaders check with their captains and captains with their workers
6. Strengthen weak spots early to avoid campaign lag
7. Be sure workers know how and where to report

8. Keep your fingers on the campaign pulse by watching progress closely
9. Stimulate friendly competition among various divisions
10. Follow up and follow through.

#### The House to House Canvass

The only way to cover the residential section successfully is on a block canvass basis. Obtain a city map; divide it into districts and sub-districts, break the district down to a point where no worker will have more than 20 homes to cover. Appoint district leaders, choose appropriate titles, such as lieutenant and captain and give to each worker one block or twenty homes to canvass, depending upon density of homes. Checking and reporting may follow plans already outlined.

#### The Industrial Canvass

If a campaign is planned for a limited or specialized type of membership, it is not advisable to invade industry. Calls on a prepared card assignment plan are then preferable.

If, however, a campaign is community-wide in interest, with support of a worthy cause as an object, it is well to plan an industrial approach. In such a case the following steps should be taken:

1. Members of the industrial committee should call on the ranking executive of the plant. They should ask for his endorsement of the campaign and should ask him to appoint a key person or company chairman who will be responsible for the plant solicitation. Outside workers should not solicit in the plant.
2. Be sure that management and labor are both represented on the plant committee. Use a labor-management committee if one exists. It must have the force of being a worker's as well as a manager's movement.
3. Plan effective publicity in the plant. Inquire about plant publications, bulletin boards, a public address system. In every plant try to arrange an employees' meeting with a capable speaker.

Leave the details of the campaign to the plant committee, but keep in touch with the key man or company chairman and offer him every assistance.

#### Closing the Campaign

There are two chief closing features: auditing and reporting, and thanking all who helped.

Local plans for auditing campaign results will, of course, differ. It

need only be said that accuracy here will beget public confidence, and that a local group of bank tellers or accountants can readily devise an adequate system, often on a voluntary basis.

Certainly the chairman and his committee can plan appropriate thanks. A newspaper article and a letter or card from the chairmen to workers and all who have helped will be a wise use of time and of the small amount of money involved.

Letters of thanks are particularly appropriate for heads of publicity media, store owners, public officials and others who cooperate voluntarily to make the campaign a success. It is these volunteer efforts which will enable the chairman to conduct a successful campaign at a low overhead cost of operation.

There is a value in such community enterprises as membership campaigns, not always appreciated by the public. These voluntary agencies, spontaneously formed for beneficent purposes are part of the grassroots of a democracy. In a too-regimented world, these agencies are the embodiment of freedom, translating the finest human emotions and desires into action. Provided that the cause is worthy, participation in that cause is a private honor and a public gain.

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### Editors' Note

The American Red Cross has for years conducted the broadest and most successful membership campaigns in history. Mr. Bonham, the author of the above chapter, has directed the public relations of those campaigns for years. The success of the Red Cross technique is indicated by the fact that a membership of 3,337 in 1905 was steadily expanded to a maximum of 36,645,333 at the peak of the war effort in 1945. A year after peace the Red Cross still had an adult enrollment of 22,000,000 in addition to 19,300,000 members of the Junior Red Cross enrolled through the schools of the nation.

The participation of a corporation and its management in the membership campaigns of local organizations devoted to public welfare can contribute much to the building of sound relations with employees, neighbors and the general public. No corporate activity can do more to dramatize the fact that the corporation is managed and operated with a view to public welfare and that human relations is its paramount concern. Nothing can do more to humanize management in public opinion.

What such activities can mean to the individual executive and to the

company he represents in his locality is dramatized by the record of what scores of outstanding leaders have done on the national scale. Among these we all remember such names as Paul G. Hoffman, Harvey Gibson, Thomas J. Watson, Alfred P. Sloan, Edward Filene, and A. P. Giannini.

Leadership in and cooperation with the campaigns of community organizations can be a powerful tool in industrial relations. Those activities put management and workers on the same team and dramatize to the whole community the idea of unity within the organization.

### Tell Your Public Service Story

Perhaps this is the place to emphasize the truism that policies and procedures in the public interest are but the first half of a sound public relations program. The second half is making the public aware of the company's activities to implement those policies. No corporate executive will boast publicly of his contributions to public welfare, but dramatizing and publicizing the contributions of his institution through time and effort as well as appropriation will pay dividends that are indirectly reflected in the income account.

The most dramatic example of the penalty of the failure on the part of business to participate in public welfare activities at the community level was the experience of the chain stores. They probably contributed as much to national public welfare movements as other corporations of their size, but the local manager was an automaton who had to consult national headquarters before he could contribute \$10 to the purchase of uniforms for the high school band. Then came the anti-chain-store crusade which threatened to wreck businesses with hundreds of millions of dollars invested. The only logical corrective was immediately adopted by every chain. Local managers were allotted specific sums to be dispensed within their discretion. More important, they were encouraged to join local, civic and other community groups, and contribute their time and energy as well as their cash. Then they followed through and told the story of their policy and program to the whole community. Since that time the opponents of chain store operation have been almost impotent.

—G. G. and D. G.

## PUBLIC RELATIONS OF FUND-RAISING

BY JOHN PRICE JONES  
President,  
The John Price Jones Corporation

■XXXII

### E VERY BUSINESS EXECUTIVE

today has the frequent and often continuing obligation to contribute time, effort and leadership to fund-raising activities in his community. It behooves him then to know the philosophy and procedures of such campaigns regardless of the size and competence of the executive staff associated with the philanthropic or community project.

Fully fifty percent of all the time and effort in the average fund-raising enterprise is in the field of public relations. Public relations in fund-raising demands a greater proportion of the entire effort than is required in industry.

If an industrialist decides to put a new soap on the market, he knows there is a public demand for soap of some sort. When a group of civic or philanthropic leaders decides a cause should have public support, it frequently has no assurance that the public is of the same opinion. When the public is asked to give its money away it has to be convinced first of the need and then prompted to give.

Consider the USO. When a group of health and welfare leaders, most of whom had had experience in World War I, decided there should be a single organization to provide recreation, guidance and spiritual opportunity for men in the armed forces in their off-duty hours, they had no assurance the public would support their idea. Accordingly, when the first USO campaign was announced, Thomas E. Dewey, the first chairman, toured the country to lay the USO case before the people. That campaign required greater public relations effort than any of the campaigns which followed it, for the simple reason that it was necessary first to convince the public of the need for USO, and to tell them what the USO program was.

### Measurement of Opinion Required

The fund-raising cause usually begins with an idea—an existing need that may be recognized at first only by a small group. Before the need can be presented to the public, and its support asked, there has to be some indication that the public will accept the need as valid. If there is any evidence of public apathy then measures have to be planned to arouse public interest. The strongest possible case has to be prepared for public presentation. Then a survey of public opinion is required to answer these questions:

1. Is the case strong enough to attract public support?
2. Are there available strong leaders willing to accept responsibility for directing the fund-raising effort?
3. Are there enough interested people willing to work for the cause?
4. Are there prospective givers, sufficient in numbers and in wealth, to give the required sum?

Such a survey is necessary for a new appeal. It is equally necessary for repeated appeals for established causes.

The American Red Cross, one of the oldest and best-supported philanthropies in this country, reviews its case every year and presents a new appeal adjusted to prevailing public interest.

### Continuity Essential

A continuing cause cannot rest on its laurels. It must repeatedly measure the public's attitude and make certain that its work and its appeal are attuned to the prevailing attitude. United Service to China has had public support for several years. Yet, this year it employed professionals to make a test of public attitude toward its case in a selected representative city.

The appraisal of public attitudes does not end in the launching of a fund-raising campaign. As the effort proceeds workers report objections raised by prospects who refuse to contribute, and these objections must be analyzed. When it is apparent that the objections reported form a pattern, steps must be taken to correct the situation in a manner which will answer the adverse attitude.

During three years of war, the National War Fund sought contributions for more than a score of war activities, many of them foreign relief projects. As events arose in the course of the war there was constantly changing public attitude toward some of the nations which were beneficiaries of the Fund. A public relations committee, under Thomas D'Arcy Brophy, kept a finger on the public pulse and maintained a fairly constant flow of material aimed to meet changing attitudes toward the fund.

Once the attitude of the public has been determined in a fund-raising endeavor, there comes the second step in public relations—the presentation of the case that has been prepared to meet prevailing attitudes.

#### A Dual Target

The target for fund-raising public relations is usually twofold. First, there must be an effort to appeal to the broad general public to create an atmosphere of universality. Then there must be an endeavor to reach individuals for a direct response. Public relations for fund-raising succeeds in proportion to the success it has in arousing the interest and sense of responsibility in individuals, organized groups and corporate bodies.

That is why so much material for fund-raising is based on the self-interest approach, and so much of the literature is presented in terms of "You." The Community Chests indicate this in their slogan, "Everybody Gives—Everybody Benefits."

As in any public relations work, the case has to be presented and explained thoroughly first to the inside group. It is essential that all the leaders are well grounded in the case and their enthusiasm stirred to the highest pitch.

It is likewise important that workers be well schooled and know all of the answers, so they may approach prospects with assurance that they are able to answer all questions and meet all possible objections.

#### PUBLIC RELATIONS TOOLS IN FUND-RAISING

Publicity is, of course, a major tool of public relations in fund-raising, as it is in all public relations. Publicized action is stronger than the most

eloquent words. Every fund-raising endeavor must keep its activities in full view of the public, but a flow of publicity material unsupported by campaign activity will not do the job.

### Publicity

When, for example, The Netherlands was liberated and a commission of medical men issued an urgent appeal for hydrolysates to combat emergency conditions arising out of malnutrition, there was an opportunity for action. The Queen Wilhelmina Fund obtained a considerable quantity of the desired chemicals and arranged to place them aboard a plane on which Princess Juliana was flying back to her homeland. The drama of the situation was made more vivid when the Princess disposed of some of her luggage in order to provide space for the chemicals. Within 48 hours after the appeal had come from Holland, the required relief material was on its way. This was action that aroused public support and interest.

Similarly, when War Prisoners Aid, Y. M. C. A., arranged with the War Department to send on tour an exhibit of conditions under which war prisoners were forced to live in Germany, and some of the services afforded war prisoners through War Prisoners Aid, there was demonstration of action.

While action is a primary requirement in public relations for fund-raising, there is also, of course, a need for an intensive publicity effort.

### Promotion Material

The first step in this direction is the preparation of what is known as inside material. This may consist of a key statement, or bible of publicity material which tells all of the facts of the case in great detail. This document is an indoctrination piece for all leaders.

Then there is a preliminary statement, a much briefer document which is sent in advance of the campaign to prospective leaders, workers and contributors, aimed to lay a general groundwork of interest. This is an endeavor to arouse their interest, an interest on which it is hoped to capitalize later.

Then comes the broad document, telling the whole story in its most forceful terms—a major pamphlet.

There must be printed material for workers. Publicity workers are given a handbook which aids them in planning a local publicity campaign, and advises them of the material they may expect from headquarters. There must be a handbook for campaign workers which familiarizes them with the basic case to be presented, successful methods

of solicitation, questions and answers, and a list of leaders who are working for or endorsing the cause.

These pieces of printed material are basic to a fund-raising public relations effort. They must be followed up by a fairly constant flow of other pieces designed to keep workers informed of new developments and to inspire any lagging enthusiasm. These may range from personal letters from the chairman and bulletins from headquarters to a campaign newspaper distributed to all workers.

#### For General Public Appeal

While the work of indoctrinating, training and enthusing the inside group is in progress, there must also be an equally effective campaign in progress to arouse the public—the potential contributors. This may be accomplished by the written word, the spoken word, and by meetings and events which indicate large numbers are interested.

This campaign to interest the public is directed to two objectives: namely, the general public, and that specific section of the general public which is defined as the field of prospects. The general public must be interested to give an atmosphere of universality. The individual must be aroused to action—giving.

#### MEDIA AVAILABLE FOR CAMPAIGN

The media used for reaching the public are little different from those used in any other public relations effort. The extent to which they may be used depends very largely on the scope of the campaign, and the budget of expense money behind it. While it is proper for a campaign such as the American Cancer Society to use twenty-four-sheet advertising, it is obvious a campaign for a secondary school would not warrant such promotional material. The media have to be adjusted to the cause, the breadth of the campaign and the sector of the public to which the appeal is addressed.

The usual media for approaching the general public in a fund-raising effort are:

*Newspapers.* Use of news material, editorial background, feature stories, photographs, suggestions to columnists, departmental material, etc.

*Radio.* Live programs and transcriptions. Dramatic sketches, interviews, speeches, spot announcements, material for commercial programs and participation in sustaining programs.

*Motion Pictures.* A presentation of the campaign case in such form

as to be acceptable for showing in commercial theaters, and also adaptable for 16 mm. films which can be shown to small groups in meetings, in factories, clubs, etc.

*Magazines.* In a national campaign, material for magazine use, acceptable on the basis of its intrinsic interest.

*Trade Papers and Specialized Press.* Material regarding the cause, adapted to the interests of all classes of the specialized press.

*Advertising.* Advertising mats especially prepared for sponsored advertising, including complete advertisements stating the case and drop-in copy to be included within the framework of department store or other copy.

*Display Material.* This may include a wide variety of material, ranging from the red feathers scattered throughout the nation each autumn by community chests, to car cards and window cards, menu stickers, etc.

*Feature Events.* Events staged to dramatize the campaign and the cause. Billy Rose produced a "show" in Madison Square Garden which dramatized to some twenty thousand persons the use of a USO club. Less than fifty persons attended a demonstration of rehabilitation work with injured and crippled staged by New York University-Bellevue Medical Center, yet through the daily and magazine press the news and pictures of this event reached many thousands of persons.

When the National Foundation for Infantile Paralysis brought a small girl, who had been cured of the dread disease, from her home in the South to the North, every public appearance of the child constituted a feature event.

Princeton University, celebrating its bicentennial, conducted a series of scientific symposia. These were not generally open to the public, but they attracted wide attention among scientists and resulted in the statements of scientists being presented in more or less popular form to the general public.

Equally effective is the open house held by a certain welfare agency which attracts local residents to see the work of the agency in action.

*Direct Mail.* This medium is widely used in all campaigns, where there are adequate lists of prospective givers.

These are some of the public relations tools utilized to carry the fund-raising case to the general public. There are many others. One agency, for instance, succeeded in reaching a rather unusual sector of the public by getting its message printed daily in a tip sheet during the racing season at Belmont Park. The determination of the media to be used is usually arrived at by answering these questions:

1. Will we reach potential contributors by the use of this medium?
2. Will the results justify the costs?

### Types of Printed Material

The medium used to reach prospects directly consists very largely of printed material. Probably in fund-raising there is wider use of printed material than in any other public relations activity. The printed material may include the following:

1. A major pamphlet—a complete statement of the case, presented in popular form and usually well illustrated
2. A leaflet stating the salient facts
3. A pictorial pamphlet presenting the story in pictures
4. Specialized pamphlets for certain groups of prospects—labor unions, school teachers, physicians, corporations and their employees
5. Pamphlets presenting the case in comic-strip technique
6. Pledge blanks and a variety of forms.

One of the most effective means of reaching prospects directly is through the spoken word. That is why most public relations efforts in fund-raising devote a good deal of time and attention to a speakers' bureau. This involves first the preparation of a handbook for volunteer speakers which tells them what to say, how to say it, and when to say it. It involves recruiting volunteer speakers who are willing to fill engagements. The range of this effort may run the gamut from the local welfare agency, which offers its director as a speaker at parent-teacher groups, to the National War Fund which, at one time, had 60 USO Camp Shows girls and representatives of foreign nations on the road following routes laid out according to the best procedures of lecture bureaus.

### BLUEPRINT OF OPERATION

Who conducts the public relations program for a fund-raising effort?

Since this is technical work, experience has demonstrated that when the budget permits, it is always wise to use a trained and professional staff to get the best results at the lowest costs. The outlines given here have been for the larger campaigns. Smaller campaigns must reduce the public relations proportionately to the size of the goal and the number of prospective givers, but the basic public relations work must be done.

Since fund-raising is mostly for philanthropic causes, it is usually possible to get the volunteer assistance of a great many leaders in the

profession or related fields. Virtually every fund-raising effort has in its main structure a public relations committee, consisting of leaders from the fields of public relations, advertising, industrial relations, radio and publishing. This committee, if it is fully effective, has representation on the governing board of the cause and guides policy with regard to public opinion. Furthermore, the committee generally works with the paid staff in planning the campaign, and in many instances offers actual assistance in the preparation of material. Carrying the ball from day to day, however, you will usually find a paid staff of workers under a trained and experienced director.

### Some Basic Principles

Having outlined some of the procedures of public relations in fund-raising, it may be well to set down some principles which seem fairly clear after a considerable experience. They are these:

1. The case must be bigger than the institution
2. Public relations must be continuous
3. The necessity for an emotional appeal becomes progressively greater as audience attention-time decreases; car cards are glanced at—pamphlets are usually read at leisure
4. Facts may be told once; ideas need repetition
5. The degree to which an appeal should be individualized is in direct proportion to the size of the individual objective. The appeal to the prospective donor of \$100,000 usually is a presentation tailored to his known interests. The \$10 donor gets a general pamphlet.

As to the publicity material which is used in public relations for fund-raising, there are some standard tests, which are as follows:

1. Is it newsworthy?
2. Does it serve a purpose related to the cause?
3. Is it dignified?
4. Is it factual?

At the outset, we stated that public relations constitutes at least half of the effort in any fund-raising endeavor. This is an important part of the fund-raising campaign but, to be effective, it needs a great deal of organizational effort behind it.

Experience shows that public relations and its handmaiden, publicity, will not alone raise funds. Funds are raised by a number of persons going out and asking a greater number of persons for contributions. If the persons approached have been educated to the cause and convinced, then the response may be expected to be adequate. If they have not

been cultivated by a public relations effort, then only a limited response can be expected.

So the public relations effort is most important, but it can *not* do the job alone. Unless workers and leaders are willing to ask for contributions, even the finest public relations effort will be ineffective.

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### Editors' Note

No aspect of community life offers businessmen greater opportunity to demonstrate leadership, win friends and manifest the sincere interest of a corporation in public welfare than leading or participating actively in community campaigns to raise funds.

The executive head of every substantial company should become actively identified with and give some measure of leadership to at least one charitable or civic organization. Each management executive in the corporation should choose one community organization and become identified with it in the same way. Such an activity gives opportunity to demonstrate that the corporation is contributing to rather than trying to dominate public welfare activities.

One of the most conspicuous examples of this philosophy at work is the public relations program of the Eastman Kodak Company. The company's program is centered in its community activities. It has managed to contribute millions in money and the time and ingenuity of most of its executives without the least suggestion of paternalism.

### Mass Appeal Needs Public Relations Techniques

Public welfare institutions are beginning to discover that they cannot continue to exist without extensive application of the principles of public relations to their fund-raising. The day when such institutions could depend largely on a few rich families and donors for their principal financial support, is past. Important fund drives in the future must depend on the relatively small contributions of thousands and millions of people rather than on the munificence of dozens.

Religious leaders recently sponsored a national survey which brings out this truth in startling fashion. The findings proved that while religious institutions are still being substantially supported, the rate of giving is declining alarmingly. In 1945 the average church donor gave 1.35 percent of his individual income as compared to 2.7 percent in 1920, 3.4 percent in 1928, and 5.3 percent in 1932. This simply means

that church donations are coming from the millions who gave a pittance rather than from large donors who can afford to contribute a substantial percentage of their income to public welfare.

This calls for the broadest sort of campaign and the highest quality of leadership and cooperation. If the institutions which operate in the field of public welfare are to survive, not only must a substantial part of that leadership come from business, but in such movements business can find its greatest opportunity to prove the humanity and sincerity of the private enterprise system.

#### Enlist Cooperation of Public Relations Personnel

Communities need the public relations guidance of business as never before. Not only management executives but public relations personnel in every company should be organized to do a continuing job of co-operating with the community. In a relatively few of the larger industrial centers, public relations directors and consultants have been organized into unofficial groups which divide their forces efficiently and give direct assistance to every community activity. If a business executive finds himself charged with the responsibility for a fund campaign, his first job might well be to enlist the cooperation of such a group. If one does not exist he might set about the job of organizing it immediately. A voluntary public relations committee is not only likely to be motivated by social consciousness in high degree, but it could contribute experience and know-how that could not possibly be available within the staff organization of any single welfare group.

#### Management-Employee Teamwork in Fund-Raising

Publicizing donations to public welfare agencies is ticklish business, but it can be done with profit to the community organization and credit to the donor. If you know that your corporation will make a substantial contribution to a community drive, why not make it first and let the act touch off the campaign? Such an occasion gives opportunity too to dramatize to your employees the fact that the company has a sense of public responsibility. What is perhaps more important is that it gives opportunity for teamwork between executives and employees. If the two work together on a community project, the soundest kind of internal public relations can be developed. This assumes of course that coercion and high pressure are never used to induce employee contributions. Even the smallest company which is unable to make a conspicuous donation can give time and energy that will make an impression on public consciousness.

Frequently the most important contribution a corporation executive can make is that of taking personal responsibility for a few large contributions. In this connection it should be remembered that personal contact is far more effective than any other medium of communication in the solicitation of funds.

The University of Denver recently undertook to raise \$2,000,000 to finance a building program. The first million dollars was raised before the public appeal was announced. This was accomplished by personal visits by the president and the principal officers and educators of the school to a relatively few community leaders. In this case an elaborate 128-page book in four colors with padded and embossed covers was prepared with the name of the prospect inscribed in gold letters. It was a highly professional sales presentation with every conceivable public relations and emotional appeal stressed.

Business executives and their public relations personnel will understand the importance of making every fund drive build up to some special event as a climax. This not only permits constantly accelerating public interest in the program, but it gives opportunity for publicity that a program without pace could not possibly develop.

#### Practical Results of Business Leadership

The importance of business leadership in collecting funds for community purposes was never more graphically demonstrated than in a recent national community chest drive. Top management in every division of media accepted membership on committees to promote the campaign. The Advertising Council took central responsibility and allocated programs both nationally and locally.

Results were almost fantastic. Radio networks alone actually counted 745,000,000 listener impressions of the programs they contributed. The editors of national magazines formed a committee and are credited with getting the message to 183,000,000 readers. The *Saturday Evening Post* gave six consecutive stories to the drive. Magazines of all kinds used their covers and their editorial pages to contribute to the campaign. Perhaps moving pictures made the most spectacular contribution. One contributed moving picture was shown in 4,000 theaters and another in more than 1,000. A 16 mm. version of one of these was shown in almost every motion picture theater in the country. A slide film was exhibited in more than 100 cities.

These are but a few outstanding manifestations of what was accomplished in a great annual community drive when business leaders got

behind it. Every medium concerned built lasting community awareness of its contribution.

### CONCLUSION

This chapter may have served to confirm a conviction already developing in the mind of the business executive that his greatest public relations responsibility and opportunity are within his own community and that every technical skill and experience at his command should be devoted in part to the development of sound community relations. This suggests a familiarity with many areas of public relations in addition to the one treated here.

—G. G. and D. G.

## HOW TO GET ALONG WITH YOUR ASSOCIATES

BY ERNEST DE LA OSSA  
Personnel Director,  
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■XXXIII

T

HREE ARE MANY AXIOMS about which there may be differences of opinion. The axiom which no one who plans to teach and advise others in the field of human relations may ever forget is that people and our relations with them are the most important factors in our lives.

Dr. Lydia G. Giberson of the Metropolitan Life Insurance Company states that "human relations is the *art* of dealing with people in such a manner that they will want to conduct themselves in a desired fashion. It deals with attitudes and personalities, as well as with the principles of behavior and the rules of conduct. Human relations involve an endless series of personal contacts. Skill at understanding human relations may be developed through a process of reasoning."

General Dwight Eisenhower, in an address to West Point Cadets, stated that their most important task in the years ahead would be to

achieve as far as possible an understanding of their fellow men. It matters very little whether the challenge is that of winning a war or that of operating a business in order to attain success, individual personal relations must be the first and most important concern of all.

One aspect of human relations which the expert sometimes under-stresses is that in our industrial and business world today, human relations are not the responsibility and concern of management alone. Indeed, human understanding must be a theme which runs throughout any organization if it is to practice real human relations. However, sound personal relationships among employees are not likely to develop until there is a system of warm, human communication between management and employees. In many instances the employee has a real awareness of this and it is a hopeful sign that this awareness is often made tangible where management is alert.

#### Sound Labor Relations Create Internal Harmony

Under the leadership of Frederick C. Crawford, President, Thompson Products, Inc., that company conducted a survey of the attitudes of its employees. Since the company has long recognized the importance of humanizing its labor relations, it is not surprising that when asked "Have you been treated as a human being under our mass production system?" eighty-one percent replied: "Of course we have". In this same survey, the company intelligently suggested that the employee participate through suggestions in the management of his company. "What would you do if you were president of the company?" brought forth these replies. They indicate the importance the employee places on the human problem:

"I work in a department that is a good place to work. The men around me are friendly."

"A hearty congratulation, not only from a fellow worker, but from those high up, goes a long way. A happy worker is a good worker."

"I would say this is a 'must' task for your supervisors—personal recognition will do more than any concessions that management can make to maintain good relations."

"I would make my employees feel that I am one of them, that I need their cooperation to make the company succeed."

"If I were president, I would stop at a machine, talk with the operator, make him feel that he is really contributing toward the success of the company, and that he is really worth something to the organization, not just a cog in a big machine."

"Just imagine, Mr. Crawford, the reaction if a sweeper or machine operator saw you walk in to visit him when he was laid up sick."

This interest of the employee in human relations is in itself an asset. However, like most of our natural resources it needs working and development. Although relationships between human beings will always be influenced by personality and inspirational factors, the lesson learned by department stores and utilities where the service of the employee to the customer has a direct relationship to business success should be of interest to all organizations.

### Employee Training in Public Relations

These managements which sell goods and services directly to the public know the importance of the human relationships of their employees with their customers. For this reason, such organizations train their employees in methods of dealing with the public which lead to the best customer satisfaction.

Generally, industry and even these same sales and service companies have failed to recognize the importance of the effect on the public made by employees who during their work do not meet the public. Anyone who has worked for a company, no matter what his position, has questions and inquiries directed to him by his relatives, his friends and his associates. Even when there are no questions or inquiries it is the rare employee who does not occasionally talk shop when away from the job. In many communities it is the cumulative effect of these after-hour replies and remarks which determine the public's attitude toward the company.

There are devices aimed at impressing the worker with the importance of his relationship to the public but to get lasting results the employees must be let in on the company's affairs. The employees must be informed on problems and policies. It cannot be just a sporadic bulletin board notice, or a memorandum or a brochure. It has to be a continuing personalized informational program. As long as the management continues to provide fair and honest presentations of the facts about policies, operation or specific issues, various methods may be employed to put the information across. Companies such as Standard Oil of New Jersey have successfully used large open employee meetings. Others, like General Motors, have, following lines of organization, seen that information is disseminated in small group conferences until every employee has been reached.

The method can be varied but sincerity, directness and understanding have to characterize every effort in dealing with employees so that they will want to conduct themselves in the fashion desired by the employer. W. A. Patterson, President, United Air Lines, has said:

"My criticism of much of the effort being made by business to improve the relationship between management and employees has been the tendency toward a dependence on plans and mechanical procedures and devices to accomplish this objective. No plan of human relations is genuine unless it comes from the heart. Specific programs are only a means of executing a philosophy."

Along this same line, Louis Ruthenburg, President, Servel, Inc., has said:

"In its preoccupation with problems of making and selling goods, management has rather consistently ignored the fact that everything that happens in business—production and sales, balance sheets, profit and loss statements—are simply by-products of human relationships. Management has been guilty of concentrating its efforts on the treatment of symptoms and of hiring panacea peddlers to treat the organic diseases of business."

#### The Employee's Personal Stake in Public Relations

Over and above this basic program which must bulwark any successful program aimed at working with employees in achieving effective human relations, there are numerous direct appeals which have been successfully used. One of the most direct examples is an editorial circulated to all employees of The Pullman Company in its house organ, *Pullman News*. This editorial, "Here's What Puts Those Dollars in Your Paychecks," appeals in straightforward language to the self-interest of the employee. It evoked excellent employee response and has encouraged other service companies to speak simply and unapologetically to their employees on this basic problem. These quotes are indicative of the tone of the Pullman appeal:

"P.R. can stand for Pay Rolls . . . We all know what they are. P.R. can stand for Public Relations and Pullman Responsibility, too. . . .

We all know that paychecks are distributed to Pullman employees regularly. To meet those payrolls, The Pullman Company has to have money. That money comes from one source—rail and Pullman passengers who pay for traveling in Pullman cars.

Since Pullman employees and The Pullman Company are only in one business—the business of selling courtesy, . . . convenience . . . comfortable service to the traveling public—it is easy to figure out that, really, it's the passengers' money that makes our Pullman paychecks possible. So, there you have the PUBLIC part of Public Relations—for Pullman employees. . . .

The word RELATIONS—as we are using it here, means 'dealings.' . . .

The manner in which Pullman employees 'deal with the public' . . . their attitude toward the passengers . . . what they do and how they do it so that Pullman Passengers are satisfied with Pullman service . . . in other words . . . the Courtesy, Consideration and Attention employees show toward these passengers—that really is PUBLIC RELATIONS—or if you want to call it by its other name, 'Dealings with the Public.' . . . How Pullman people 'deal with each other' also is a part of PUBLIC RELATIONS. You—as an individual—have good Public Relations with your neighbor or co-worker if you have good 'dealings' with him. In other words, how we act with, and toward each other—or the public—is GOOD or BAD Public Relations. And when we have 'good dealings' with each other—and the public—everyone benefits."

Another approach which has been used successfully to call to the attention of the employee his responsibility for human relations is the "vice versa" approach. The Golden State Company, Ltd. published a cleverly illustrated booklet, "How to Make People Hate You and Vice Versa." The booklet was distributed to all employees who were involved in the process of getting the dairy products from the farmer to the customer. In addition to achieving effective results in warming the relationships of its employees to the customers, the company found its booklet was in general demand and it received almost national notice. An excerpt will serve to illustrate the manner in which the message was put across.

Under "How to Treat Customers Who Object to Prices" the burlesqued suggestion is made that the milkman adopt the "Take It or Leave It" attitude:

"Tell 'em where to get off! You don't set the prices, anyhow—and if they're cheap enough to kick about them, you don't want to be bothered with a lot of chiselers. You could haul off and say, 'All right, so the prices are high. You can't get stuff like this for nothin', you know. If you don't like the prices you can go someplace else.' This attitude shows that you're really a big shot with a big financial outlook. Besides, what do you care if a competitor does get the business?"

As the vice versa pointer which emphasizes the achievement of good personal relationship, the constructive suggestion is made:

"There's only one measure of price—in anything. That's value! No company sells products of equal quality at lower prices than your own."

For the most part the material which has been presented in this chapter to this point has been aimed at impressing on the user of this handbook that successful human relations are basic to all public relations.

urther, such relationships can be achieved only when individuals are dealt with in such fashion that they are moved to conduct themselves in a pattern of desirable personal relationships. It has been pointed out that this is essential to all public relations teaching. Teaching methods may vary but they must be continuing. The means of putting across the manner in which one gets along with associates may differ. As the examples cited show, the written word can be effective but no better means can be employed in achieving good personal relations than the use of personal relations.

### Seven Simple Steps to Good Human Relations

There are no secret methods. In fact the simplest rules are those which obtain the best results. John L. Beckley, in his book *Let's Be Human* has offered seven simple steps that will help greatly in the process of getting along with associates. The rules are simple but as he points out, each one of them runs against normal tendencies that are a part of almost everyone.

His rules are:

1. Perfect your self-control
2. Appreciate and praise
3. Stress rewards
4. Criticize tactfully
5. Always listen
6. Explain thoroughly
7. Consider the other person's interests as you would your own.

There is no harder task than perfecting self-control. It's difficult not to show anger. It's harder still not to show personal likes. Yet, unless self-control is practiced, our relationships with associates run the risk of failing. A study of the nature of grievances arising during the term of a formal labor agreement in a large eastern manufacturing company revealed that two thirds of all formal grievance cases stemmed from incidents in which the foreman had failed to exercise self-control.

Appreciation and praise are major ingredients in the human relations formula. At the time of a national emergency, the president of the country's major broadcasting network wanted to express appreciation to the many members of the staff who had literally lived at their jobs for long hours in order that the public might be informed and served. Before he left his office he dictated a personal letter thanking all of those who had participated and expressed regret that he was unable to see each employee personally. It wasn't long after this first crisis that a second national emergency occurred during the hours when most

employees were not on duty. Nevertheless, in miraculously short time the staff was in and at work without special pleas or round-up. Several workers expressed a healthy employee attitude when they said, "It's a pleasure to give a little extra when it's appreciated."

Rewards have come to mean in too many cases nothing more than a dollar-and-cents check or bank note. A formal word for reward is incentive. Bill Jack of Jack & Heintz stressed reward. It was this principle that led to the practice of paid vacations for honeymooning employees and privileges for those who turned out top production. That the rewards were effective can be judged by the waiting lists of applicants which, during periods of personnel shortage, equalled the population of the average city.

Criticism is a tool or a weapon. If it's barbed and sharp, it is destructive. Used tactfully and constructively, it can improve performance and relationships. George Taylor, when serving on the National War Labor Board, told of the case of the docile-appearing elderly worker who was up for hearing in a company-union dispute case. He had thrown a brick through the large plate glass front window of the company. He had a long record of satisfactory and quiet service. When asked why he had broken the window, he replied, "Fifteen years ago when I started work I had been at the bench about an hour when I turned around and said 'Good Morning' to the foreman who happened to pass by. The foreman turned to me in the presence of my new associates and said, 'Get back to work. You'll learn we don't waste time around here!' I've waited fifteen years to get even with the company and that guy and with the help of the brick, I'm square now."

When an individual is deaf and this is known, others are generally sympathetic and understand his failure to hear. When one doesn't hear because he doesn't listen, the sympathy is absent. The phrase that is often used as a social compliment, "He's a good listener," can be applied to the individual who successfully deals with others. Thomas Spates of General Foods Corporation states that the employee wants to feel that he participates in and belongs to the organization with which he is associated. The best recognition of this wish to belong can be the willingness to listen. Delos Walker of R. H. Macy and Co. has made the statement that many of the best executive decisions are made while the mouth is shut and the ears and mind are open.

Streamlining is the order of the day and this can lead to brevity and conciseness which dull good personal relations. The "inspirational" leader whose followers blindly carry out his instructions in the scheme of things today can only inspire such confidence if he has, over a long

period of time, thoroughly explained his orders. This thorough explanation will have served to convince those who have questions and it will have aided those who have been undecided as to what may have been required. Alvin Dodd of the American Management Association tells the story of the laborers who day after day were asked to dig round holes one after another across a wide expanse of level land. The monotony of the work and the seeming pointlessness resulted in slower and slower work until one of the older hands had the temerity to ask the purpose of the job. The simple answer to this group of city laborers that they were digging fence-post holes which would be later filled by the fence crew was explanation enough to establish purposefulness in this simplest of operations and to motivate them to work at a productive pace.

Considering the interests of others as you would your own is a trait that still falls short of attaining perfection in human relations. Nevertheless, it is a long step in the right direction. Those who stress the fact that what is right for you may not be right for others are correct. But if each problem in human relations is approached in such fashion that each of the factors that might affect you are covered in considering the effect on another person, the percentage of good results will be gratifyingly high. The Texas City explosion tragedy startled and shocked the United States. Edgar M. Queeny, Chairman of the Board of Monsanto Chemical Corporation, did not hesitate. In a matter of hours he personally was on the spot. In a matter of hours the interests of the Monsanto employees and their families in Texas City were being considered more than company or personal interest. Money, medical aid, and all possible assurances for the removal of fear for the future were given unstintingly and unhampered by red tape and procedure. The employees and families felt human relations in their most tangible sense. Indeed, the country was quick to commend this demonstration of real human relations. The practice of considering the interests of others as we would consider our own interests is ordinarily best used in relationships with each associate with whom we come in contact. Recognition of the individual is a doctrine fundamental in every program of human relations.

Alvan E. Duerr in his booklet, "People, Business, and You," begins a series of remarks on relationships with associates with "It Ain't the Individual, Nor the Army as a Whole, But the Everlastin' Teamwork of Every Bloomin' Soul." The thesis he advances is that the better we understand those with whom we work the better will be the accomplishments.

### What About the Other Fellow?

In reaching such understanding, these points will be useful:

1. Each associate is different
2. Each associate craves recognition
3. Teamwork calls for enlightened self-interest
4. Associates must be accorded courteous treatment
5. Every situation has to be considered from the associate's angle.

The small things, that in themselves are taken casually, when added together outweigh formal techniques in adding up the composite parts of good relations with individuals. The leader, counsellor or teacher cannot overlook the importance of a pleasant smile, a firm handshake, addressing associates by name, listening attentively, speaking clearly, being honest and factual in making statements and expressing appreciation. Every individual sincerely interested in human relations, in fact, will improve by conscious practice on each of these elements.

Really great leaders have consistently used these abilities in getting along with associates in an extraordinary way. They respectfully consider the other fellow's side of things. They fit the aspiration of others into their own wherever possible.

Leaders in dealing with associates are quick to recognize their deficiencies and give credit to others who strengthen their weaknesses. Their program of human relations is organized and not hit or miss. The leaders in following a plan or program will not hesitate to rely on their own judgment and to give inspiration to others by being first in trying to reach a set objective. With all of these qualities it is still the use of the simple qualities of human relationships which engenders respect and confidence instead of fear and resentment.

### Qualities To Develop

The individual who faces the responsibility for the achievement of successful relationships with associates can approach the task with confidence if, having studied his associates carefully and having made him self welcome by respecting those who have arrived before him, he:

1. Has the ability to contribute to the development of an organization
2. Has the ability to plan
3. Has the ability to think constructively and independently
4. Has judgment and decisiveness
5. Can accept responsibility

6. Can cooperate in carrying out over-all policies

7. Has technical knowledge.

Passing muster on these qualifications is a comprehensive task and the individual who does will find the chance great that he will succeed in getting along with associates.

As a final guide, O. R. Strackbein has published an Executive Code which is reproduced below. The Executive Code might better have been termed, "How to Get Along with Associates."

Keep in mind that you are one of a team that directs a much larger team.

Be objective; avoid injecting personalities into problems. Do not permit annoyance and irritation to show in your memoranda.

Avoid alibis; do not accuse your associates; cite facts only.

Shun company gossip; let the facts speak for themselves.

Give sympathetic consideration to the problems of your associates; try to understand them; lend a hand if asked.

Do not run to higher authority with your problems; if you cannot solve them, propose a solution and ask for a decision.

Don't grumble; make a clear presentation when necessary; take a clean defeat philosophically. There will be other decisions.

Remember that your actions affect others. Consult those who have an interest at stake; inform those who are entitled to know what action you have taken.

Don't be two-faced. The second person will show up at an embarrassing moment. Guard yourself against irresponsible talk.

Be courteous but not obsequious; avoid flattery of your superior; make all necessary criticism tactfully.

Avoid jealousy of your associates; do not undermine them. Let the quality of your service be your spokesman.

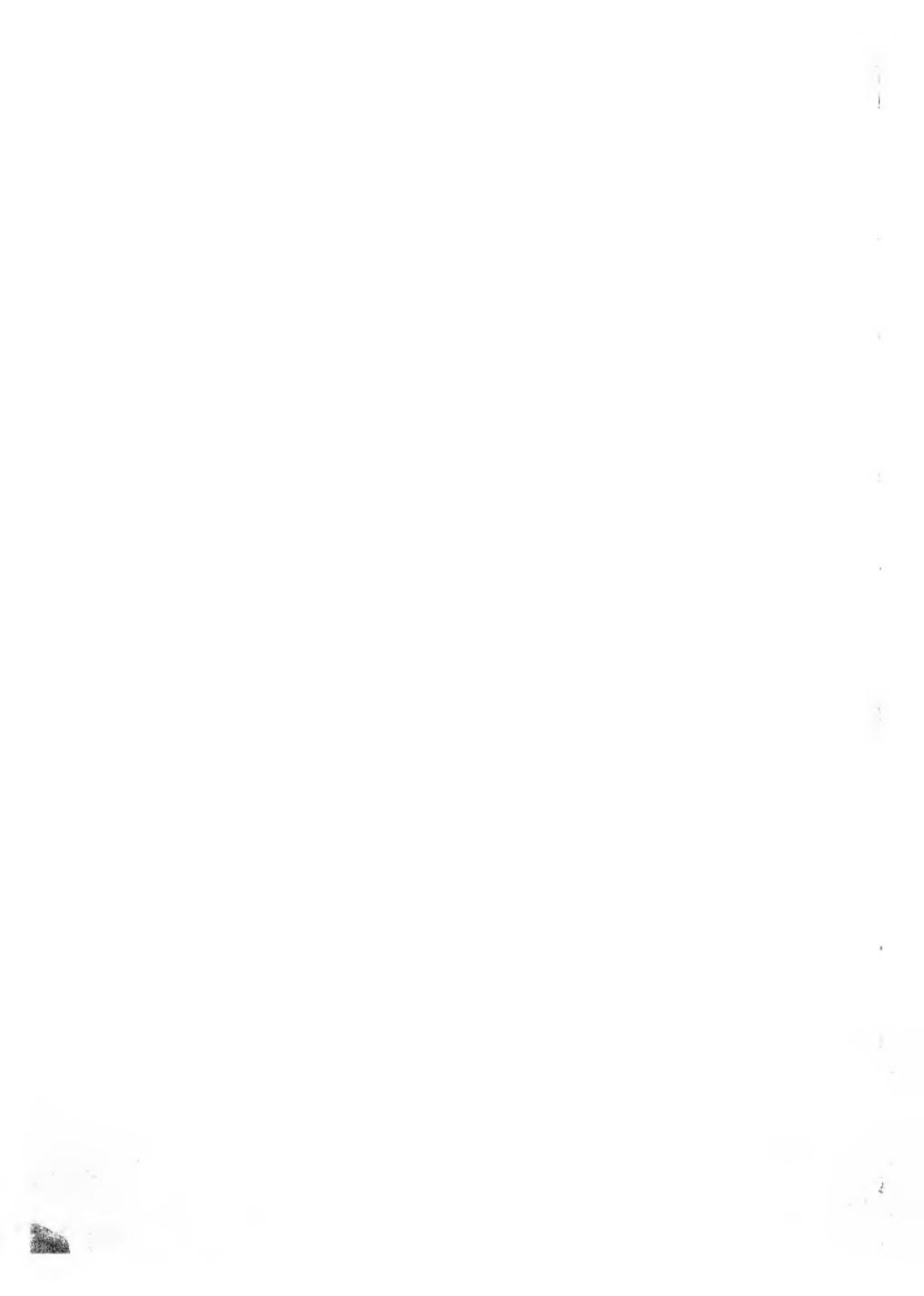
Take a positive attitude toward problems. Look for reasons why things can be done rather than for reasons why they cannot.

If you do not believe in your work, seek another post. Do not seek to break the morale of your associates.

For further study of this subject, see Chapter XXX.

—G. G. and D. G.

*Part VIII*  
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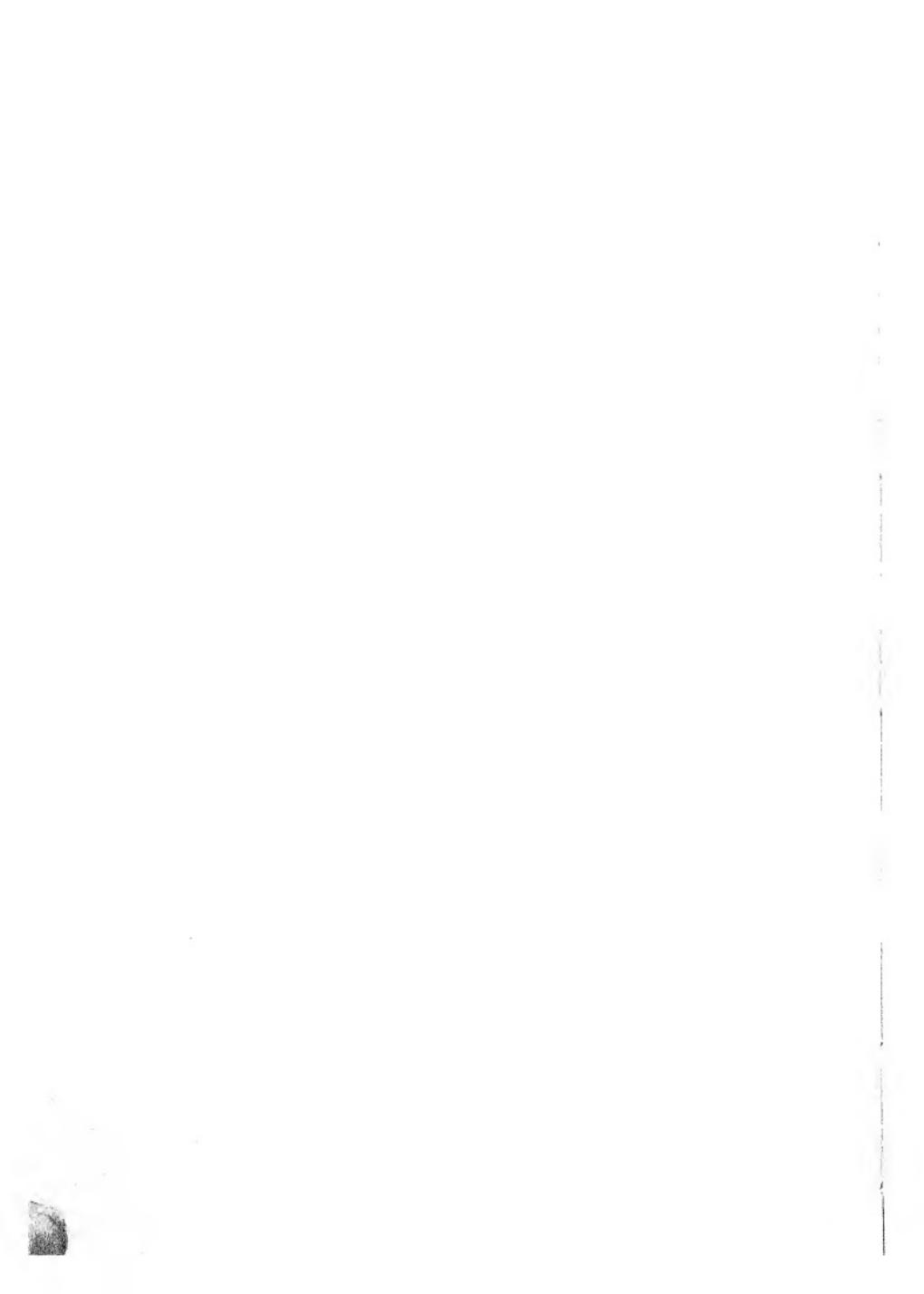
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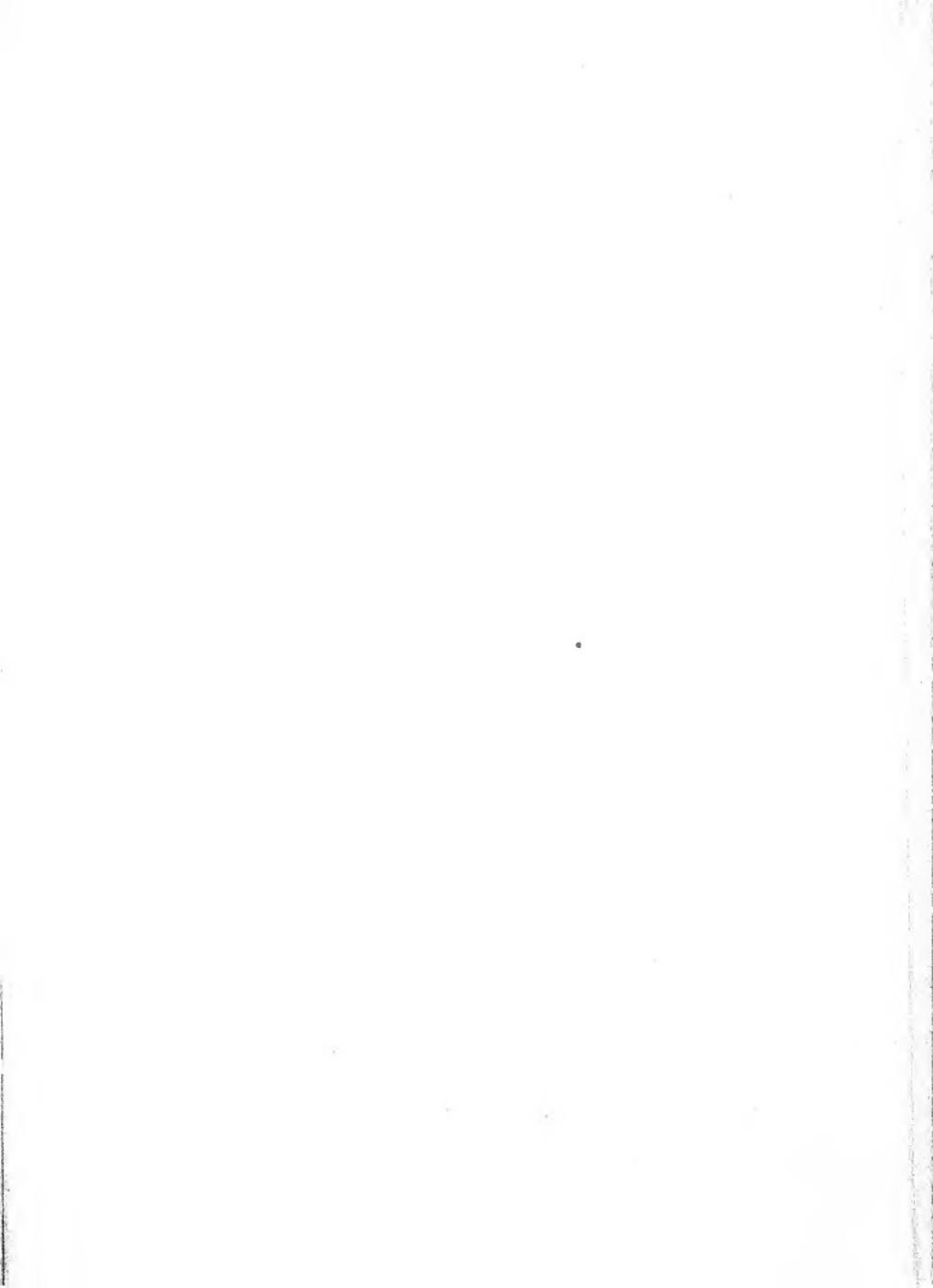
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